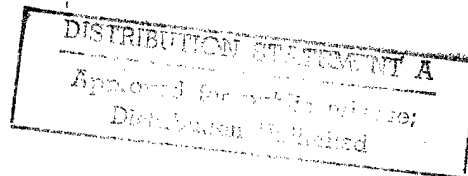


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12 August 1983



# Sub-Saharan Africa Report

No. 2830

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12 August 1983

## SUB-SAHARAN AFRICA REPORT

No. 2830

## CONTENTS

## INTER-AFRICAN AFFAIRS

Total Portuguese Investments in Lusophone Africa for 1983 (O JORNAL, 8 Jul 83) .....	1
---	---

## ANGOLA

Luanda Port Director Discusses Transformation (Antonio Alvaro de Melo Agante Interview; JORNAL DE ANGOLA, 2 Jul 83) .....	2
---	---

## CAPE VERDE

Aristides Pereira Discusses Political Issues (EXPRESSO, 2 Jul 83) .....	6
--	---

## GHANA

More Radical Policy Recommended (Debrah Fynn, Breman Asikumah; PEOPLE'S DAILY GRAPHIC, 23 Jun 83) .....	9
---	---

Cadbury Cocoa Facing Crisis (PEOPLE'S DAILY GRAPHIC, 21 Jun 83; GHANAIAN TIMES, 22 Jun 83) .....	10
--	----

Production, Labor Problems  
Workers Demand Changes, by Geoffrey Barber

Food Crisis Outlined; Solutions Proposed (J. A. Dadson; WEST AFRICA, No 3439, 3440; 11, 18 Jul 83) .....	12
--	----

## Briefs

Stabex Payments Request	17
-------------------------	----

## MAURITIUS

Prime Minister's Warning to Press Hit (LE MAURICIEN, 6 Jul 83).....	18
--	----

## MOZAMBIQUE

South Africa Said Behind MNR Destabilization Attempt (Stefan Klein; SUEDEDEUTSCHE ZEITUNG, 1 Jul 83).....	19
--	----

MNR Claims Victories, Damages (O DIA, 27 Jun 83).....	23
--	----

Canada To Finance Nacala Railroad Project (Benjamin Faduco; NOTICIAS, 15 Jun 83).....	25
--	----

Agriculture Sector Objectives Published (NOTICIAS, 16 Jun 83).....	27
---	----

Building Industry Growth Reported (NOTICIAS, 16 Jun 83).....	29
---	----

National Electric Energy Outlook (NOTICIAS, 15 Jan 83).....	31
--	----

Drought Recovery Projects Discussed (Abel Faife; NOTICIAS, 16 Jun 83).....	33
---	----

Rural Migration Flooding Cities With Unskilled Workers (NOTICIAS, 8 Jun 83).....	35
---	----

Briefs	
Chinese Red Cross Aid	37
Dutch Aid to Victims	37
Cooperation With Czechoslovakia	37
Cooperation Agreement With Sweden	37
Kuwaiti Loan for Road Project	38
Private Transportation To Be Regulated	38
Botswana Minister Visits	38
Norway Donates Codfish	39

## NAMIBIA

Further Details on National Budget Given (THE WINDHOEK ADVERTISER, 21 Jun 83).....	40
---	----

Baster Administration Leader Rejects Budget (THE WINDHOEK ADVERTISER, 16, 24 Jun 83).....	42
--	----

Not Sufficient  
Budget Accepted



Proposals for Managing Financial Crisis Reported (THE WINDHOEK ADVERTISER, 24 Jun 83).....	44
SWA Fisheries Directly Controlled by Local Government (THE WINDHOEK ADVERTISER, 21 Jun 83).....	46
Malpractice in Administration of SWA Alleged (THE CITIZEN, 16 Jul 83).....	47
NIGERIA	
'Newbreed' Politics Described (S. G. Ikoku; NEW NIGERIAN, 26 Jun 83).....	49
Calabar/Ogoja Youth Council Raps CBC (THE NIGERIAN CALL, 22 Jun 83).....	52
Kaduna PRP Faces Another Crisis (Emman Omoha; SUNDAY TRIUMPH, 26 Jun 83).....	55
Death of Gubernatorial Running Mate Reported (Frank Akinola; DAILY TIMES, 23 Jun 83).....	56
Borno State Schools Close Early (Ibrahim Biu; NEW NIGERIAN, 21 Jun 83).....	57
Total Vehicle Sales for 1982 Reported (Roseline Umesi; BUSINESS TIMES, 27 Jun 83).....	58
Nation Faces Serious Power-Supply Shortage (Eddie Iroh; NEW NIGERIAN, 25 Jun 83).....	59
Police Intensify War Against 'Party Thugs' (Tony Ikhile; DAILY TIMES, 24 Jun 83).....	61
Soviet-Aided Steel Mill Opens Ahead of Schedule (S. J. Ajakpo; DAILY STAR, 29 Jun 83).....	63
Briefs	
No Army Election Role	65
Kaduna 'Mafia'	65
SIERRA LEONE	
Minister of Finance Jusu-Sheriff on Economy, Two-Tier System (Hon Salia Jusu-Sheriff; WE YONE, 19 Jun 83).....	66
Jusu Sheriff Defends Two-Tier System, Calls for Cooperation (Alhaj S. A. Kabba; DAILY MAIL, 17 Jun 83).....	69

Relations With Iran Discussed (DAILY MAIL, 20, 18 May 83).....	71
---	----

Call for Expanded Relations  
Cooperation Pact Signed

#### Briefs

President Blames Oil Companies	73
FRG Steps Up Mail	73
Plea for Agriculture	74
Brewo Motors Ablaze	74
Money Disappears Mysteriously	74

#### SOUTH AFRICA

German Report Claims Anglo Set To Quit SA (DIAMOND FIELDS ADVERTISER, 17 Jun 83).....	75
Israeli Links With SA Seen Threatening Global Image (Stanley Uys; DAILY DISPATCH, 25 Jun 83).....	76
Changing Face of Industrial Relations Traced (Editorial; IIR INFORMATION SHEET, Mar 83).....	78
Ciskei To Produce Arms at Dimbaza (DAILY DISPATCH, 23 Jun 83).....	85
Editorial Scores Kaizer Matanzima, Homeland Leaders (Editorial; SOWETAN, 15 Jul 83).....	86
Lennox Sebe Strips His Brother's Powers (THE CITIZEN, 18 Jul 83).....	88
Unions Score Big Breakthrough (Stephen Friedman; RAND DAILY MAIL, 20 Jun 83).....	89
Boland Bank Chairman Says GDP To Drop by About 2 Percent in 1983 (Duncan Collings; THE STAR, 28 Jun 83).....	91
Reportage on Media Freedom Seminar (THE CITIZEN, 15 Jul 83).....	92
More Efficient Utilization of Resources Urged (Theo Beukes; THE STAR, 28 Jun 83).....	95
Archbishop Hurley Calls for Christian Unity Meeting (THE STAR, 29 Jun 83).....	97

Future of De Lange Report Recommendations Pondered (Carolyn Dempster; THE STAR, 29 Jun 83).....	98
NMC Opposes Introduction of Minimum Wage (THE STAR, 30 Jun 83).....	100
'Free' Homelands Cause Confusion in Statistics (Stan Kennedy; THE STAR, 18 Jun 83).....	102
Factors of Sound Economic Development Detailed (John Burns; THE STAR, 30 Jun 83).....	103
Key Financial Advisor on Ability To Cut Inflation Rate (Jeop de Loor Interview; THE CAPE TIMES, 5 Jul 83).....	105
Port Elizabeth Harbor Trade Gap Narrowing (Louis Beckerling; EVENING POST, 30 Jun 83).....	109
CP Will Allow Jewish MP's Says Dr Hartzenberg (THE CITIZEN, 16 Jul 83).....	110
Local Takeover of Khazam-Yentob Group Rumored (Don Wilkinson; THE CITIZEN, 28 Jun 83).....	111
CNDC Investment in Ciskei Reported (Daan de Kock; THE CITIZEN, 18 Jul 83).....	112
Ciskei May Enter Local Market To Feed Its Coffers (F Meisenholl; THE CITIZEN, 18 Jul 83).....	113
Farmers Claim Government Stalling on KwaNdebele Plans (Keith Abendroth; THE CITIZEN, 18 Jul 83).....	114
Amalgamation of Local Authority Examined (Editorial; SOWETAN, 28 Jun 83).....	115
Reaction To Ban on Winnie Mandela (Editorial; SOWETAN, 1 Jul 83).....	117
Critical Shortage of Trained Scientists, Mathematicians Reported (THE DAILY NEWS, 15 Jun 83).....	118
Muslim Pilgrims Reassured on Visa Issue (MUSLIM NEWS, 20 May 83).....	119
Adverse Effect of Protectionism on Foreign Trade Noted (Alec Hogg; SUNDAY TIMES-BUSINESS TIMES, 26 Jun 83).....	120

No Economic Upswing Expected Before Mid-1984 (Alex Hogg; SUNDAY TIMES-BUSINESS TIMES, 26 Jun 83).....	121
Trans-Natal, Iscor Dispute Threatens 5,500 Jobs (Brendan Ryan; THE CAPE TIMES, 23 Jun 83).....	122
Reserve Bank Scheme To Aid Banks, Discount Houses Reported (Daan de Kock; THE CITIZEN, 28 Jun 83).....	123
Women Seek Curbs on Executive Power (THE CITIZEN, 30 Jun 83).....	124
Engineers Suggest Ways To End Personnel Crisis (THE STAR, 28 Jun 83).....	125
Split in National Forum Reported (Brian Pottinger; SUNDAY TIMES, 26 Jun 83).....	126
Afrikaans Spoken Less at Home by SA Blacks (THE DAILY NEWS, 24 Jun 83).....	128
Need To Increase Technical Training Reported (SUNDAY TIMES-BUSINESS TIMES, 26 Jun 83).....	129
Civil Construction Industry Outlook Gloomy, Says Jamieson (THE CAPE TIMES, 23 Jun 83).....	130
Mistreatment of KTC Squatters Scored (Editorial; MUSLIM NEWS, 20 May 83).....	132
MAWU Takes Up Cause of Workers Fired by Barlow (SOWETAN, 15 Jul 83).....	134
Coal Mining Industry Hit by International Recession (THE CAPE TIMES, 29 Jun 83).....	135
Discrimination in Labor Policy 'Alive and Well' (Phillip Van Niekerk; THE CAPE TIMES, 23 Jun 83).....	136
Blacks Record Few Gains Since Sharpeville (Nimrod Mkele; THE STAR, 21 Jun 83).....	138
Cuba Reportedly Indoctrinating, Training Young Blacks (THE STAR, 29 Jun 83).....	139
Effort To Eliminate Illegal, Forged Licenses Planned (J. Manuel Correia; THE STAR, 29 Jun 83).....	140
Black Schools Reject White Teachers (Charmain Naidoo; SUNDAY TIMES, 26 Jun 83).....	141

Benoni Park Segregation Policy Hit (Editorial; SOWETAN, 30 Jun 83).....	143
OIL Sees Potential in Chilean Fishing (Alex Petersen; RAND DAILY MAIL, 30 Jun 83).....	145
Biggest Sale of Earthmoving Equipment Reported (THE CITIZEN, 28 Jun 82).....	146
Success of Homelands' Jobs Scheme Analyzed (Anthony Duigan; THE STAR, 30 Jun 83).....	147
'Spoilt' Canned Fish Sent Back to Bolivia (EVENING POST, 29 Jun 83).....	149
Drought Has 'Severe Impact' on Federale Volksbelegging (Daan de Kock; THE CITIZEN, 1 Jun 83).....	150
Nearly 200,000 Cattle Expected To Die in Kwazulu (THE DAILY NEWS, 24 Jun 83).....	151
Food Relief to Drought-Stricken Reported (Blaise Hopkinson; SUNDAY TIMES, 26 Jun 83).....	152
Long-Term Effects of Drought Reported (Ruth Golembo, Eben Venter; SUNDAY TIMES, 26 Jun 83).....	153
Missile Site Not in SA's Interest, Says Professor (THE STAR, 28 Jun 83).....	154
Success of CSIR's Vaal River Tests Reported (DIAMOND FIELDS ADVERTISER, 22 Jun 83).....	155
Kwazulu Hydroelectric Scheme Could Have Beaten Drought (Stephen McQuillan, Lawrie Bedford; THE STAR, 29 Jun 83).....	156
Briefs	
Drought Hits Karoo Laborers	158
Drought Areas Aided	158
Workers Laid Off	159
Money Market Shortage	159
Commercial Vehicle Sales	159
Heavy Truck Wheel Produced	160
Anglo Slams Influx Control	160
Transkei State of Emergency	161
ANC Court Drama	161
Fort Hare Students Sentenced	161
Sasolburg AECI Explosion	161
One Party State	162
Fertilizer Needs	162

Transvaal Trade Union First	163
Police Need Reservists	163
Rail-Grinding Machines	163
Turfloop Students Leave	164
SA-Designed Idler Roller	164
Foreign Debts, Assets	164
Sugar Farms Devastated	165
Blacks in Mine Unions	165
Indian Police	165
Technical Colleges	166
Swedish Parts for Mondi	166
Last White Job Reservation	166
ASB Congress	167
AWB Fund	167
MJC Calls First Meeting	168
Coca-Cola Strikers	168

#### SWAZILAND

Agriculture Minister Advises Farmers To Sell Cattle 'Before They Die'	
(Donny Nxumalo; THE TIMES OF SWAZILAND, 24 Jun 83).....	169

#### UGANDA

Briefs	
FRG Cancels Debts	170
Opposition MP's Arrested	170

#### ZAIRE

Briefs	
Canadian on Country's Debt	171

INTER-AFRICAN AFFAIRS

TOTAL PORTUGUESE INVESTMENTS IN LUSOPHONE AFRICA FOR 1983

Lisbon 0 JORNAL in Portuguese 8 Jul 83 p 16

[Text] The Portuguese Government will invest 200,000 contos in 1983 in cooperation with Portuguese-speaking African countries. This allocation will be distributed in accordance with a plan drawn up by the ICE (Institute for Economic Cooperation), an organization subordinate to the Ministry of Finance and Planning and the Ministry of Foreign Affairs.

The sum now being allocated is greater than that of 1982 (178,000 contos) but less than that of the biggest investment made in the cooperative effort, 1981, with 218,000 contos. The irregularity in the sums allocated throughout the past few years is due to the successive rapprochements and political divisiveness between Portugal and the various African countries involved in the cooperation programs.

Mozambique, with 54,000 contos will be the country most benefited in 1983, as already occurred in other years. This development is due to the favorable conditions offered to the Portuguese cooperants in that country and, also, to an open-door policy of longer standing.

Angola (42,000 contos) will receive its largest allocation this year as a result of recent political contacts. Of the remaining countries, the biggest investment will be made in Cape Verde which, in addition to the sum to be allocated (27,000 contos), will receive special support for the project involving the consolidation of the port of Praia which, in 1983 alone, will come to 200,000 contos. Also involved in the 1983 program are Guinea-Bissau (34,000 contos) and Cape Verde (27,000 contos).

The cooperation will basically be in the form of training in skilled activities (scholarships and internships), the sending of technical cooperants and managerial cooperation in the industrial and energy spheres.

Shortage of resources makes tripartite cooperation essential. For that purpose, 10,000 contos have been set aside and negotiations have already been started with both individual countries (France, Sweden, Canada) and international organizations (EEC).

ICE's role will be to stimulate conditions, promoting and supporting Portuguese business initiative through action aimed at bringing to light opportunities for entering the African markets.

LUANDA PORT DIRECTOR DISCUSSES TRANSFORMATION

Luanda JORNAL DE ANGOLA in Portuguese 2 Jul 83 pp 9, 12

[Text of interview with Antonio Alvaro de Melo Agante, director of the port of Luanda, by A.L. of JORNAL DE ANGOLA; date and place not given]

[Text] "Every port in the world is expanding containerized shipping because it is faster and safer," states Comrade Antonio Alvaro de Melo Agante, director of the port of Luanda, in this interview.

A.L.: The port of Luanda has passed from a congested phase to a normal situation, and is handling more ships. At the same time, and without much publicity, various construction projects are underway in the port area, particularly in its operational zone, with financing by the OGE and within the framework of cooperative development of the SADCC [Southern African Development Coordination Conference]. Could you explain precisely what type of transformation the port is undergoing?

Agante: Several works are currently in progress at the port: high- and medium-level development projects, reorganization and rehabilitation projects. Among the large-scale development projects are the paving operations for the future container park, which will be almost 100,000 square meters in size. Soon afterward will begin the construction of the horizontal silos. The project for vertical silos is still under study, since it is linked to the possibility of directly importing grain in bulk, to be bagged here.

A.L.: Before going on, I would like to know how the port will benefit from the vertical silos.

Agante: The advantage is not limited to the port, but is manifold, because it derives from the difference in costs. I could cite the example of corn imports. Corn from the United States or Argentina is transported in bulk to France, where it is bagged and sent on to Angola. The difference emerges when we compare the cost of shipping the grain from the United States or Argentina to France and then to Angola with the cost of shipping from the United States and Argentina directly to Angola. We also have to compare the cost of bagging in France, paid in foreign exchange, with what Angola would pay in kwanzas if the bagging were done locally. Logically, the cost of the investment should be amortized over the entire period during which we expect to import grain.



According to approximate estimates, which are included in a study which will soon be presented to the higher organs, the difference comes to \$40 to \$50 per ton, which, multiplied by the number of tons imported both for feed and for processing, amounts to some millions of dollars.

A.L.: Now could you tell us about the medium-level development projects?

Agante: Actually, some low-level projects were programmed, some of which are being completed, while others have different timetables because we must always take into account, and not forget, that these projects must be carried out in the midst of a working port, and not in an unoccupied area where there is no economic activity going on. This detail is basic, because we are carrying out development projects while various modifications are being introduced at the port, such as the loading and unloading of containers during the night.

In this regard, I can say that there are plans to develop a new railroad yard. Then we will have to rebuild the quays, because water is seeping into the area. In addition, a lighting system is being installed throughout the port area, along with a power generator so that crane operations will not be interrupted when there are power outages.

We are also planning to fence in the port area to prevent outsiders from entering. In addition, the construction of new facilities for UNTA [National Union of Angolan Workers] and the party structures is at an advanced stage, so they will have adequate facilities to conduct their activities. There are also plans to build a quay specifically for the small coastal vessels which transport passengers from the port of Lobito. In this way, the discharge of passengers will be set off from the port operations, which will also enable the competent authorities to maintain a better check on the passengers.

A.L.: Before you tell us about the rebuilding at the port of Luanda, can you tell us if this is needed because of the deterioration the port has suffered, or is it simply within the framework of the development program which you have just described?

Agante: I can say that the recovery phase now in progress came about because most of the equipment from the colonial period is obsolete and should be retired; some of it deteriorated because of the shortage of skilled personnel and the lack of technical assistance and preventive maintenance; some of it was acquired soon after independence on an emergency basis and was not entirely suitable; and some of it did not last as long as it should have under normal conditions. This is why the first step in rehabilitation was the acquisition of 70 new fork lifts, which will not be used until we have set up an effective preventive maintenance program and have organized work crews with the most skilled operators. The reason for this is that the machines cost tens of thousands of dollars; they are actually the mechanical muscles of the port, which we must be able to keep in working condition.

In this context, there has been a radical reorganization of the technical department, the management, the work shops, the training of mechanics, the training and hiring of the labor force, the planning and control of the warehousing of merchandise.

We are also thinking seriously of setting up a plant to produce port equipment, enabling us to make everything we need for general loading and unloading, such as steel cable, platforms, mooring lines, etc. We could produce this material at the port without having to import anything. Based on the same principle, we also decided to begin overhauling certain equipment.

A.L.: In fact, the president himself brought up this need when he visited some work centers where, for want of a piston or parts or a switch, technical equipment and machinery were piled up, destined for the scrap heap. Is this the case at the port?

Agente: Yes, because the port does have a problem with the general deterioration of the equipment, particularly the fork lifts and other cargo-handling machinery. Considering the difficult working conditions, and to keep the machinery from breaking down more than would normally be expected, we established a strict program of preventive maintenance, in which the machines in question are rotated into the machine ships, where they are completely dismantled and the parts which are not assured of functioning properly are replaced.

This was not done in the past; the machines were run until they stopped, and then, for various reasons, they were thrown on the scrap heap. Now we are also recovering some of this cargo-handling machinery and fork lifts. They go into the machine shop and are taken apart, down to the last bolt, and are then rebuilt with new parts. In some cases, only the frames can be used, or perhaps some parts of the motor. This phase will end in the next 10 to 12 months.

A.L.: Are such recovery operations confined to the cargo-handling equipment, or is it possible to include the old cranes in this process?

Agente: The cranes are a key structure of the port, so they call for careful maintenance and technical assistance. The cranes have been in operation for 40 years, because, prior to independence, the Portuguese did not make any investments in the port of Luanda. The cranes are limited to loading and unloading of a general nature and are not suited to containers. It is not easy to adapt them. The answer would be to rebuild new cranes from parts of the old ones, so we are even thinking about remodeling the mechanical and electrical parts of the old ones, using the towers and revamping the pulley systems.

In theory, we should be able to do this work at the port, but we cannot begin until the port of Luanda has new cranes suited for containerized cargo. At this point, we cannot possibly stop using a single crane, even if it is old.

A.L.: The use of containers in combination with the roll-on roll-off ships has given a new dynamic to sea transport. Is Angola's transport policy geared to this development? What are the benefits for the Angolan economy?

Agente: Every port in the world is expanding containerized shipping, because it is easier, faster and safer, and also makes it more difficult to tamper with the merchandise. Besides, there is less breakage of cartons or ruptures of sacks, as happens with the coffee, and hence it is much more economical. Our port operation is being planned and developed so that containerized shipping is increasingly reducing normal unloading, with advantages not only for the port but for all the economic activities interconnected with port operations. If we can increase our capacity to unload ships and rapidly load the containers on trucks, the merchandise will reach the importer sooner.

The containers also reduce the possibility that the merchandise will be diverted (which is no longer happening with cargo in general), a problem which could be even further reduced if we can insure the rational functioning of the socio-economic infrastructures for the 4,000 workers at the port of Luanda.

This is why we are also trying to provide a regular food supply, with a supermarket specifically for our workers and the railway employees.

A.L.: You also mentioned spillage in the shipments of coffee; might it be possible to transport sacks of coffee in containers?

Agante: This issue is still being debated, because, as you know, coffee is a very valuable product and the importing countries in the West are very exacting, in the sense that the product can spoil easily because of the humidity, gasoline fumes or water seepage in the ships' holds.

Moreover, the handling of the sacks, from the production site to the final unloading, inevitably causes some bags to split and part of the coffee is lost.

Brazil recently experimented with containers, with positive results. Sacks of coffee were loaded in containers which otherwise would have returned empty to their European ports of embarkation, which is also where the coffee was to be shipped. The coffee traveled well in the containers and it was also observed that: 1. none of the sacks ruptured or split; 2. the cost of shipment was lower because they used containers that would have returned empty to the same ports where the coffee was destined.

A.L.: If this is to be a regular practice, it implies a general study of the flow of exports and imports in a given period of time.

Agante: Logically, to make this a standard solution, you must first establish what is going to be imported--and how--in the coming years, what role and what priorities are to be assigned to our merchant fleet and, finally, what parameters are defined for the use of general and containerized shipping. These are essential elements in programming coffee exports using containers in which imported merchandise arrives.

At this time, it will only occasionally be possible to export our coffee by using some of the containers accumulating on the docks, waiting to be returned to Europe. On the other hand, we must bear in mind that for the last 3 years the People's Republic of Angola has been under military attack from the South African racist regime, which has had repercussions on the economy and, particularly, on the planning of imports. Within this context, the port of Luanda, as an executive structure and producer of services for the nation's economy, has the primary function of insuring that merchandise is both received and exported as quickly and efficiently as possible.

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ARISTIDES PEREIRA DISCUSSES POLITICAL ISSUES.

Lisbon EXPRESSO in Portuguese 2 Jul 83 pp 1, 24

[Text] Aristides Pereira told EXPRESSO this week at the conclusion of the Second Congress of the African Party for the Independence of Cape Verde (PAICV) that he believes some matters should be discussed before proceeding with arrangements for a meeting between heads of the Portuguese Government and the Portuguese-speaking African countries. With respect to the proposal recently made in Lisbon by Mario Soares, the President of Cape Verde declared that he was against the principle of "meeting just for the sake of meeting," saying that the objectives of such a meeting must be defined first, and some problems of protocol and timeliness resolved.

A synthesis of statements made by Aristides Pereira regarding the principal subjects discussed in the interview is given below:

Save the OAU

On the contribution of Cape Verde in the unblocking of the recent summit meeting of the OAU in Addis Ababa:

"We acted according to our options: to preserve and safeguard our continental organization, which is of unique usefulness to our countries and our people. We have made every effort in this respect, even at the failed Tripoli summit, to try to reconcile disagreeing parties. We joined the efforts of other African leaders, founders of the OAU, such as Nyerer, Kaunda, etc. The Addis Ababa summit was the last attempt to save the OAU. We had already undertaken some steps earlier, at a regular meeting in Conakry, approaching some heads of state, in an effort to assure their presence in Addis Ababa. Contacts were easier there, since a head of state could not turn his back on the summit, as a Minister sent for the purpose could do.

In Addis Ababa, at an informal meeting in which countries that did not recognize the Saharan Arab Democratic Republic did not participate, it was decided to appoint a committee consisting of 8 members to make every possible effort on behalf of a summit meeting. Cape Verde was one of them. The group was

later reduced to 5 members, among which our country remained. It was thanks to the efforts of this group that unblocking was achieved. In my opinion, the decisions reached at the summit were quite acceptable: the Polisario Front had a great deal to gain."

Concerning the possibility of new meetings in Cape Verde between representatives of Angola and South Africa:

"In this respect, our availability remains total. We are for peace and understanding among nations: suffice it to look at our position in history, and at how the people of Cape Verde were created. However, our involvement has its limits. We were formerly content to meet the wishes of the parties concerned. If they are no longer satisfied now, we do not want to force the issue. A situation exists in which we do not take an active part, but we do have some expectations. Some countries have greater responsibility in this process, such as the Contact Group. However, if we are asked to give our opinion, it would be that the parties in conflict should return to the [negotiating] table."

On the normalization of relations between Cape Verde and Guinea-Bissau:

"Something has been set in motion, perhaps not moving as fast as the political powers on either side would want it: all parties want, as the saying goes, to 'pull the fire towards their own sardine,' particularly when dealing with economics. We show some figures, and they show others. In about a month, there will be another meeting of the mixed commission in Bissau, which we want to prepare as well as possible. Our ambassador to Bissau has already been selected."

"I met with President Bernardo Vieira several times at international meetings, and namely in Addis. No meeting between the two has been scheduled, but the possibility is also not ruled out."

On the proposed meeting of heads of state of Portugal and African Portuguese-speaking countries:

"I think that this is something to be discussed. Why not hold such a meeting? But first, objectives should be defined; a meeting will not be held just for the sake of meeting. There is also the problem of timing to be considered: the situation in southern Africa must be taken into account; Mozambique and Angola are countries presently at war. It doesn't depend only on us, but also on all the others. Problems of protocol also arise: We and Guinea-Bissau have a prime minister, but in Angola and Mozambique, for example, the head of state is the president."

On the current status of relations between Cape Verde and Portugal:

"Our relations continue to be the best, but there is something that, although it doesn't bother us, does have an impact on our public opinion: it's the prolonged absence of a Portuguese ambassador in Cape Verde. There are many people who fail to understand that and may interpret this fact as being a political gesture. But I believe that this is something that will be resolved very soon."

On the conditions at the opening and participation under which the Second PAICV Congress was held:

"When we take this kind of action, we do not claim to be setting examples for anyone, but rather, we act on the basis of a solid reality, which is the Cape Verde man. Even with a single party it is possible to have democracy. The people can control the power, although through channels other than the traditional ones. We call it 'participative democracy.' Our people did not know what democracy was: they went from an enslaved society to traditional colonial domination. There is much to learn before gradually reaching full democracy. Within the party, all elections are now held by secret ballot, from the ground up to the National Assembly. We plan to follow the popular participation route until we reach a status of full democracy, without following in the footsteps of other countries, where it took several centuries to reach this stage. As for us, we are not even 10 years old."

On the possibility of eventually having a multi-party system in Cape Verde:

"It will depend to a great extent on developing trends. We said that democracy is possible without the existence of several parties. We shall see what results will come out of it. We are trying to do something different on the basis of a reality which, I will not say is unique, but uncommon. We try our best to give people the opportunity of exercising principles of democracy, but within a system in which it will not be destructive."

On a hypothetical resignation at some future time:

"I have been trying to be as realistic as possible: there is a certain limit to effective leadership, which depends on age. This is why I do not exclude the possibility. But when I decide to resign, the people of Cape Verde will be the first to know."

In a young country such as ours, dynamic leadership is needed. With age, one should realize that younger people must take over the reigns (obviously, they must be capable). Indeed, one's own ability to face the needs becomes limited. Some heads of state have been in power 20 and 30 years--this is detrimental. At a given point, a person is just a symbol, no longer stamping his personal imprint on the direction in which the country is going. One must be aware of this limit, but I don't think I have reached that point yet."

On Cape Verde's economic woes:

"Our hopes are positive. The basis for all progress is man; we have unlimited confidence in the men of Cape Verde, in their hardiness and perseverance. With this human capital we can continue to face our present difficulties and overcome them. Despite the long drought we have been enduring, living conditions are improving for the people, not as much as we had hoped, but sufficiently. We have few cases of malnutrition and all are under control."

12342

CSO: 3442/289

## MORE RADICAL POLICY RECOMMENDED

Accra PEOPLE'S DAILY GRAPHIC in English 23 Jun 83 p 1

[Article by Debrah Fynn and Breman Asikumah]

[Text]

**THE PNDC should as a matter of urgency and without any further foot-dragging pursue a more radical policy characteristic of a revolutionary government which would make "Power to the People" meaningful and also make the people real owners of the means of production.**

For, apart from a few changes in the government which would be described as cosmetic, the country's economy is still neo-colonial and largely favours foreign interests as well as those of their local minority bourgeois allies.

This is contained in a statement issued at a workers' rally at Asikumah last Tuesday by the Asikumah-Odoben-Brakwa District Secretariat of the NDC in condemnation of the June 19 coup attempt.

The statement, read by Mr I. J. K. Baidoo, acting District Co-ordinator for PLCs and WDCs, maintained that Ghanaians cannot for example continue to tolerate a situation where because the government seems to have no control over transportation, goods meant for the people cannot be carted to them.

"We would therefore like to see the total nationalization of all banks, transport, oil companies and other key sectors of the economy which seem to threaten our people's genuine stretch for real power", it stressed.

On last Sunday's coup attempt, the statement expressed the conviction that the attempt could be carried out because the orientation of the on-going revolution seems to be too hazy, thus making its base and stand too weak.

It hoped the revolutionary leadership will be more hard and harsh

on the detractors and deal this time with its enemies with the ruthlessness that they deserve.

While congratulating the gallant soldiers who fought through odds to quell the rebellion, the statement further called on the PNDC to strengthen the patriotic forces by actively encouraging and supervising the building up of the people's militia.

Before the rally, more than 5,000 workers, PDC members and youth groups in the Asikumah-Odoben-Brakwa District took to the streets in a massive demonstration in support of the PNDC and the on-going revolution.

The demonstration was also to condemn the reactionary idea and counter-revolutionary acts of the perpetrators of the abortive coup.

The demonstrators who arrived at Asikumah in big trucks amid chanting of war songs carried placards some of which read: "Power should remain with the people", "Aluta Continua", "The enemies should not be spared" and "Rawlings, let the blood flow". Led by the District Secretary, Dr J. E. Oppong,

the demonstrators later besieged the houses of some people who allegedly jubilated over the first news of the coup attempt as a sign of their unflinching support for the PNDC and its leadership.

Addressing the rally later, Dr Oppong asked veteran revolutionaries throughout the country to be on their guard since the enemy was still in their midst.

## CADBURY COCOA FACING CRISIS

## Production, Labor Problems

Accra PEOPLE'S DAILY GRAPHIC in English 21 Jun 83 p 3

[Excerpt]

**THE Cocoa Industry ranging from the raw beans to a finished product like BOURNVITA, MILO and DRINKING CHOCOLATE is a vital INDUSTRY for Ghana.**

As a foreign exchange earner, the raw beans and the processed products together contribute over 70% of our foreign exchange, whilst internally the cultivation as well as factory production of cocoa items are an important source of

employment and income for thousands of farmers and workers.

In recent times also the internal consumption of cocoa products especially drinks has increased dramatically helping to ease the food crisis. This development is certainly useful since cocoa is an energy providing substance with high nutritional value. Despite this critical importance however, all aspects of cocoa are in deep trouble.

The agricultural side is in chaos, with constantly falling production levels, whilst the processing factories are also in a state of almost total slow-down and collapse.

The factories in question are the Cocoa Products

Factory, The West African Mills Ltd., Food Specialties and Cadbury Ghana Ltd., now known as Allied Foods Limited.

**CADBURY DEEPEST CRISIS**

Of all these factories, the one which seems to be in the deepest crisis is CADBURY GHANA LIMITED, situated in Accra and producing Bournvita, Kwench, Drinking Chocolate and Chocolate Spread (formerly Butta Choc).

The general problem facing all the cocoa factories is old equipment, high costs of production lower than the official control price and sometimes lack of foreign exchange to import various items.

With Cadbury however, the situation is worsened considerably by a long

running conflict between the workers and the management. Consequently, the management in exercise of its greater power has laid-off 165 out of the 212 workers leaving only 47 at work, causing the kind of grievous fall in production, which can only cause severe damage to the national interest at this time of food and foreign exchange shortages.

It is in consideration of the critical importance of this section of the economy that this investigative report into the Cadbury issue has been conducted, so as to inform the public of the issues at stake.

It presents the accounts of the situation essentially from the workers perspective with the door open for management to respond.

## Workers Demand Changes

Accra GHANAIAN TIMES in English 22 Jun 83 p 8

[Article by Geoffrey Barber]

[Text] The workers of Allied Foods, formerly Cadbury wrongfully declared redundant have, with the assistance of the PDCs and WDCs in the Accra-Tema metropolitan area, taken over the company's premises in protest.

A statement issued to the press in Accra yesterday by the workers made several demands and warned that they would only leave the premises when their demands had been met.



Among the demands were that the government should take 55 per cent shares in the company, leaving the foreign owners 45 per cent.

The workers asked that all the 165 workers wrongfully declared redundant, should be recalled and all their entitlements paid to them unconditionally.

Other demands were that the present top management staff should be dismissed immediately and interim Management Committee formed to run the affairs of the company.

The workers asked that they should be involved in the decision-making process and should be allowed to have an office for both the WDC and the local union.

They also requested that a probe be instituted into how the company disbursed its import licence allocations.

The workers called for a national policy on redundancy to prevent a situation whereby workers would have to solve such problems themselves.

CSO: 3400/1570

## FOOD CRISIS OUTLINED ; SOLUTIONS PROPOSED

London WEST AFRICA in English No 3439, 11 Jul 83, No 3440, 18 Jul 83

[Article by J. A. Dadson: "Food and the Nation"]

[11 Jul 83 pp 1596-1597]

[Text]

"Ghana has failed to build a strong agricultural base on account of political instability and inappropriate policies and priorities," writes J. A. Dadson from Ghana University, in the first of his two-part article on the country's mounting food crisis.

GHANA is today in a severe food crisis. It is not unusual at this time of the year that food should be in short supply, and prices high. It is the lean or "hunger" season. Usually, the hunger is experienced mostly in the deficit-producing Northern and Upper Regions which are located in the interior savannah zone. This time the story is different: the shortage and hunger are acute countrywide; and food prices are at their highest levels ever.

In Accra, maize, the leading staple diet, sells in the "open" market at C200 a tin ("one American tin"; is about one gallon or about 8lb). The *kenkey* seller, usually unable to obtain maize at the controlled price of C280 a bag (50kg), buys it at C4,000 or more a bag. In consequence, the C2-ball of *kenkey* (1982) now sells for C10; the C20-*kenkey* ball is reported to have appeared briefly at Cape Coast. Cassava sells at C30 a small tuber. *Garri* (from cassava), previously a cheap low-income food and a standard boarding school chop-box standby, now sells at C190 a tin, and is in demand by all income classes.

At free market prices, poor people — most people — cannot afford meat or fish.

Even bushmeat, which accounts for 20 per cent of all meat and meat products consumed, is prohibitively expensive. And bread has disappeared for nearly nine months now.

The accompanying table presents prices of selected common food items prevailing in Accra in April 1983. Evidence not presented here, indicates that conditions in rural areas are even worse. Data are also given for January, 1982, and January, 1983 to illustrate how the situation has dramatically worsened in the last few months. Government-approved prices (controlled prices) are usually one-tenth to one-quarter of the open market prices. Goods are not available at those prices, nor are they affordable.

In these conditions of scarcity and high prices, coupled with shrinking real incomes, feeding in most homes is a daily nightmare. Many a home, in fact, can hardly afford one adequate meal a day.

Boarding schools are having great difficulty feeding students: the situation had deteriorated so badly and the outlook is so poor that the current term has been shortened by the government to not more than

six weeks (from 10), while increases in boarding fees are being actively contemplated.

Malnutrition, starvation and misery are widespread; and if the scenario continues, health and productivity are bound to be impaired disastrously. What are the causes of the crisis? How can Ghana work its way out of it?

The factors most readily cited to explain the situation include: the long drought (August 1982 to April 1983), which adversely affected production in the last minor season; the bush fires which have destroyed field crops (eg plantain, yam and cassava); and the sudden return from Nigeria of over 1 million Ghanaian emigrants.

True, these factors have worked together to depress production and raise demand, thus worsening the availability problem. But they cannot be the whole answer; certainly they do not provide an adequate guide for policy and action. If it is noted that other countries in the same ecological zone — Ivory Coast, Togo, Benin, for example — have similarly experienced drought, bush fires, erratic rains etc, with less disastrous results, it becomes clear that additional explanatory factors have to be identified.

Since independence, some spectacular programmes have been launched with the aim of transforming Ghana's agriculture to support industrialisation: the state farms and allied large-scale schemes of the Nkrumah era; Acheampong's Operation Feed Yourself and Operation Feed Your (own) Industries; Limann's "New Deal" and now Rawlings' "Green Revolution". Summing up their impact, one may simply observe that we do not have a success story yet. These policies and programmes have had no growth impact for a variety of reasons:

1: In these approaches to agricultural development, Ghana has so far largely tried to bypass its traditional producers, namely, the small-scale village farmers, in favour of new structures: state farms, settlement farms, community farms, co-operative farms, *nnoboa* farms, etc. These new structures have absorbed large doses of public expenditure with negligible returns. The neglected small farmer meanwhile continues to account for over 90 per cent of total production; especially food.

2: Food production has not been accorded the priority and hence has not received appropriate and adequate support (in research, extension, input supply, cre-

dit etc.) even today. Indeed, one may say that the low priority accorded to food production follows from the neglect of the village farmer. Other consequences follow:

(a) The rural economic and social environment has been neglected by all regimes except the Second Republic, which launched a comprehensive rural development programme, only to be curtailed (later) by Acheampong. This neglect has been an important disincentive for rural dwelling and production.

(b) Farming is still predominantly rain-fed and is thus vulnerable, as the recent drought has shown. The development of irrigation is an important priority.

(c) Given the state of knowledge, traditional farming is generally regarded as adapted and efficient. But the level of efficiency is low and static. Cultural methods, technology and various practices have not been adequately studied for improvement.

3: On the other hand, Ghana has introduced modern heavy machine technology and capital-intensive methods at great cost without adequate testing, on-going study or adaptation to local conditions.

4: The coercive methods (including physical assault and forced sales) used by the military and PDCs and other agents of government to enforce price control has demoralised farmers and traders, to the detriment of the consumer. It is as if farmers have suddenly become exploiters, whereas their role in producing the wealth that finances urban growth and their neglect would suggest they are exploited.

5: Marketing efficiency has declined due to excessive state intervention, shortage of capital, neglect of rural roads, reduction in the number of haulage trucks, lack of spare parts for maintenance of vehicles, and tyres to keep the vehicles on the road.

6: And last but not least, political stability, a necessary condition for economic policy to have impact, has eluded Ghana since independence. Coups and attempted coups cloud the investment climate and disrupt implementation of plans.

In sum, Ghana has failed to build a strong agricultural base on account of political instability and inappropriate policies and priorities. The traditional agricultural system, still predominant, has been largely ignored and left to disintegrate. In its place, no viable alternative system has been developed. Agricultural growth rates have been negative in recent

years, placing Ghana among the bottom 25 per cent of the poor performers in Africa. The present crisis, therefore, has not simply suddenly descended on the country. The downward trend has long been clear. The annual flow of external food aid has always been an indication of local under-production.

It is all together not a proud story for a country which began with so much promise. But Ghana need not be helpless; it has the resources to enable it to sustain a high development rate. What is to be done?

Market prices of selected food items in Accra				
Item	Unit	Average prices (C)		
		January 1982	January 1983	April 1983
Maize	bag (50kg)	500	1,000	4,000
Maize	American tin (3kg)	30	80	200
Kenkey	ball	1	4	10
Cassava	tuber	10	15	25
Garri	American tin	15	65	190
Yam	tuber	45	80	160
Rice	bag (50kg)	600	900	1,200
Rice	American tin	80	200	200
Plantain	Bunch (100)	160	250	1,000
Plantain	One	4	5	20
Tomatoes	3	4	10	40
Meat (beef)	1b	20	30	60
Bushmeat	(grasscutter)	250	450	600
Chicken	2lb	45	75	180
Eggs	crate (30)	80	90	180
Eggs	One	3	4	8
Sugar	American tin	70	150	300
Sugar	Cigarette tin	5	15	25
Bread	loaf	4	disappeared	disappeared

Note: C2.75 = \$1.00

[18 Jul 83 pp 1659-1660]

[Text]

IN THE immediate circumstances, as stark starvation faces the country, food aid is urgently needed; and the Government itself has sent out a general appeal to the international community for relief. The response to this appeal is somewhat uncertain at the moment. The current strain in relations between Ghana and some of the traditional bilateral donors is likely to reduce the volume and rate of flow of food aid from this source for some time at least. But some relief may be expected from multilateral sources, notably the Food and Agriculture Organisation/World Food Programme Emergency Food Assistance Programme. Teams from the FAO and the World Council of Churches have been in the country to assess requirements. Of course, an appreciable quantity of grain is already on hand, primarily for the repatriates from Nigeria, from which others as well, notably vulnerable and sensitive institutions, like hospitals, schools and the military, are happily benefitting.

The next line of emergency action is food imports. When the PNDC took over, it immediately placed a ban on all food (and agricultural) imports and launched its "Green Revolution" programme aimed at self-sufficiency. This suspension has now been lifted, and the government has announced an immediate food import order of some \$40m. and has reportedly procured a \$100m. loan from the Standard Chartered Bank Ltd. (UK) "to finance an emergency import programme for agriculture . . ."

In this connection, there is little doubt that with the re-opening of Ghana's borders (unilaterally closed since September 1982 in connection with "cocoa marketing and certain monetary re-arrangements") at selected points mutually satisfactory to all parties, especially neighbours on the east (Togo) and west (Ivory Coast), trade links may be re-kindled to the mutual benefit of all. For, contrary to the simplistic belief

that food flow (by smuggling was a one-way affair from Ghana, it can be shown that overall trade contacts and activities between these neighbours (in food and non-food items) work to stimulate increased food production and marketing even within Ghana itself. Undesired smuggling of critical export commodities can be controlled by appropriate measures.

Simultaneous with these steps, Ghana may consider mounting an "emergency mobilisation programme" for production, evacuation and distribution. Such a programme in fact seems to have been mounted already, beginning with the formation of a Task Force. What is not clear is its precise functions and its programmes.

There is some evidence that in this emergency situation, problems could be over-simplified and irrational solutions canvassed, leading to a waste of time and resources. For example, it was reported that Air Force planes will be used to locate surplus food stocks locked up in the rural areas to facilitate evacuation. To say the least, this is absurd; Ghana simply does not have the capability for remote sensing of this kind. Nor is it necessary. Another irrational approach, also announced, is that bakers (not farmers!) will be encouraged to grow their own wheat locally for flour. Again, hoteliers have been told to establish farms as a condition for registration; the State Hotels Corporation will venture into farming and fishing, although there are state-owned organs already in these activities.

The sooner these ideas are dropped, the better. The real answer lies with improving rural access roads, and the supply of spares, tyres, and oil for food haulage trucks, and leaving traders free to operate. There is also need for co-ordination of operations of the various state enterprises for the maximum realisation of set goals.

Measures that may be taken under the mobilisation programme may include the following: (a) public works to improve rural roads and infrastructure using unemployed and underemployed labour paid, *not forced*, to work on specified tasks (piece-work); (b) public works to improve farm area infrastructure, e.g. building of small dams, canals, soil-conservation structures, and stream dips or small bridges; (c) improved fertiliser evacuation from the ports, proper mixing, and timely distribution at the appropriate places; (d) improving the input delivery system serving all farmers through the establishment of easily

accessible centres; (e) providing basic needs and the daily non-farm necessities for rural people at affordable prices (soap, textiles — not used clothes, etc).

These measures are not intended to replace the design of a sound policy for production and distribution based on realistic priorities. Indeed, they should be regarded as part of such a policy.

There are signs that the Ministry of Agriculture is putting together policies of production more realistic than would be immediately popular — policies that redefine the roles of the public sector and the private and other sectors in the various agricultural activities. Thus, the Economic Recovery Programme read last December intends to re-organise the Ghana National Reconstruction Corps (youth settlement farms) such that the farm workers will operate these farms as co-operatives for themselves without government subvention, as hitherto. Would this apply to other (similar) organs? More recently, the Secretary for Agriculture has suggested that rigid price-control is counter-productive and should be relaxed at least during this hunger crisis. Some "radicals" in PDCs have demanded his resignation for making such a suggestion.

Ghana has a vast potential for agricultural growth which seems to have been restrained so far by a mixture of complacency, inadequate policies, mismanagement and political instability.

There is an adequate supply of land. Hence, contrary to popular belief, land is not a major problem, especially in the village of one's origin. A native cannot be denied land for farming in his own area. Even non-natives are not excluded from acquiring land for farming, though tenure conditions (generally) need re-examining to facilitate access where applicable, encourage appropriate practices and long-term investments (e.g. through cost-sharing arrangements for conservation measures), etc.

Labour is also in relative abundance, though increasingly the youth seem unattracted to agriculture on account of poor rural living conditions. There is much technology (biological, chemical as well as mechanical) for borrowing quite cheaply, adapt, and introduce on a wide scale to increase productivity of both crops and livestock. Productivity in Ghana is at present only a fraction (one quarter or less of world averages (e.g. maize yield is still around 2,500 pounds). A more serious

approach to the development of irrigation would reduce over-dependence on rainfall and permit year-round production.

These measures will require a modest but rewarding increase in investment, as well as organisation for implementation, monitoring and ongoing evaluation. But the results cannot be expected in all cases to come easily, quickly and smoothly. Agricultural growth has never been that way. Breakthroughs are infrequent and never instant. It is ill-advised to chant "agricultural revolution" when what is needed is systematic work within a framework of sound and stable policies.

CSO: 3400/1677

BRIEFS

STABEX PAYMENTS REQUEST--Ghana has asked the EEC for a transfer of about \$70m., being the amount due to it under the Stabilisation of Exports scheme (Stabex) of the Lome Convention. The amount is to offset shortfalls in earnings from Ghana's exports of cocoa to the community in 1982. Reports in Accra said Ghana received about \$32m. as compensatory payments from the EEC in 1982. [Text] [London WEST AFRICA in English No 3440, 18 Jul 83 p 1677]

CSO: 3400/1677

## PRIME MINISTER'S WARNING TO PRESS HIT

Port Louis LE MAURICIEN in English 6 Jul 83 p 7

[Article by H. B.: "Will Freedom of Expression Be Put in Question?"]

[Text] **W**E have read, not without a little schocked surprise, to say the least of it, the report in two morning papers of a meeting recently held at Rivière du Rempart by the alliance MSM/Labour Party.

It would appear from these reports that our P.M. has cautioned in no uncertain terms certain newspapers (two in particular) against what he terms their racist propensities, and that these will, when the time comes, be called to account for their (mis) deeds in that particular.

In that connexion, we ask leave to quote one paper which has apparently reproduced verbatim the very words used by the P.M.: « Visiblement déçu par la campagne de dénigrement menée subtilement par deux journaux en particulier, M. Jugnauth a fait remarquer que toute chose a des limites, "ki ça banne journal raciste-là arrête faire lé couillon. Éna limite à tout kikchoue. Zot bisin rende compte dans ça pays-là" ». We shall not remark on the elegance of the terms used — we have already been treated to some public utterances couched in the same choice "billingsgate" by people in exalted positions who, if only by virtue of the fact that they occupy such high offices, should know better —, but the threat to the liberty of the press, which is one of the most important of human rights and is entrenched in the constitution of all civilised countries, is perfectly clear: « Zot bizin rende compte dans ça pays-là ».

Must we infer from this that the mauritian press, in its entirety, should, for fear of reprisals, toe the line sheepishly and shamelessly, according to the wishes — or directives — of the people

currently in power, or else... ? We seem to remember that very sad period when the outgoing government had imposed censorship of the press, which was muzzled for quite a protracted period. An arbitrary measure which was utterly unjustified and which, in another paper, we had strongly opposed at the time. And we would like to ask — if we may — whether this barefaced threat of retaliation against people whose opinions, political or other, may happen to differ from yours, is consistent with the declaration of certain people who never fail to claim, in season and out of season, that they are, in this country, the genuine champions of democracy and freedom for every one and all ?

We make bold to declare that, on the whole, mauritian journalists are responsible, mature individuals, perfectly aware of the limitations they assign to themselves in expressing their opinion, however forcibly that may be done, as well as they are jealous of their inalienable right to express that opinion, whatever their political or other convictions.

And, in conclusion, we can only remark that it is a thousand pities that one who claims to be the champion of democracy and civil liberties and calls on the entire population to help him save the country from what he thinks may be the threat of impending dictatorship from a rival political party, should go to such — unwarranted — extremes of language and bad temper.

We would wish to add that neither the author of this article, nor this paper, owes allegiance to any political party, whether right, centre, or left.



SOUTH AFRICA SAID BEHIND MNR DESTABILIZATION ATTEMPT

Munich SUEDEDEUTSCHE ZEITUNG in German 1 Jul 83 p 10

/Article by correspondent Stefan Klein: "A Regime To Be Destabilized-- South Africa Obviously Backs the Rebels Against the Marxist Government of Samora Machel"

/Text/ They are burning entire villages, mining major traffic roads and blasting bridges and railroad tracks. They kidnap school children, nuns, priests and foreign specialists. They sabotage electricity plants and waterworks, destroy tea and textile factories, despoil development projects and also attack army installations. They are present in six of the ten provinces but are not interested in setting up "liberated areas." In accordance with their hit-and-run tactics, they hardly ever hang on to positions once they are taken. Their estimated 10,000 armed soldiers are well equipped and nourished, but their organization has no charismatic person at its head, no ideology, no recognizable alternative and--even more oddly--is apparently not interested in overthrowing the government. Guerilla paradox in Mozambique: What do they want, the fighters in the Mozambique National Resistance (MNR)?

The traditional model certainly does not hold sway here. Wherever guerrilla warfare erupted in Africa, it usually was as a consequence of tribal rivalries, power and distribution struggles at the time of or after independence: Those drawing the short stick withdrew to the bush and fought. That holds true for Jonas Savimbi's UNITA in Angola and no less for the political and military tug of war between Oueddei and Habre in Chad, to a certain extent also for the problem with Joshua Nkomo in Zimbabwe. The fact that this classic pattern does not fit in Mozambique has a very simple reason: The armed struggle against the Portuguese colonialists was always conducted by Frelimo and, after the revolution in Portugal, the organization was handed power without much ado and undisputed by any rival. The resistance is therefore totally unconcerned with issues of internal power distribution: It is the invention of the former Rhodesian secret service, the CIO.

Start in Rhodesia

Ken Flower, former CIO director, established the MNR in 1976, in response to the fact that neighboring Mozambique, independent in 1975 and adopting a Marxist line, had provided bases of operation for the resistance organization headed by Robert Mugabe (the current head of government in Zimbabwe), fighting the White minority regime in Rhodesia. Recruits included mainly former members of the Portuguese secret police, Pide, who had fled to Rhodesia in 1974/1975, when Mozambique independence

loomed on the horizon, and who--due to their former snooping--were ideally suited to the new job. This new job consisted in reconnoitering positions and plans of the Mugabe guerrilla. That was their real assignment. Only as a secondary consideration was the MNR intended to hit at the socialist rulers in Mozambique by acts of sabotage, in revent for having cut Rhodesia off from the ports of Beira and Maputo by closing the borders.

The assignment changed when, in 1980, Rhodesia obtained independence with the name Zimbabwe, and sponsorship of the MNR necessarily passed from the CIO to the South African secret service. The South Africans saw an opportunity to undermine a development that had just begun with the establishment of the Southern African Development Corporation (SADCC). Upon their merger, the nine SADCC countries were most concerned to reduce their dependence on South Africa--particularly glaring in matters transportation--by closely cooperating among themselves. Given its three ports--Maputo, Beira and Nacala--and its rail connections with Zimbabwe (and, consequently, Zambia) and Malawi, Mozambique was the key to this plan: Proper operation of the approaches to the sea was decisive if South Africa's scope for blackmailing its neighbors was to be reduced.

#### Attacks on the Railroad

Of Course South Africa appreciated this point also, and the MNR was accordingly retrained and redeployed. From that time on attacks and acts of sabotage concentrated on the three rail lines between Maputo and Zimbabwe (Limpopo route), Beira and Zimbabwe and Beira and Malawi--all important from the aspect of SADCC goals. Another preferred target for attack was the oil pipeline from Beira to the Zimbabwe border city Mutare (formerly Umtali)--again clearly directed against SADCC plans, because, once the pipeline is disrupted, Zimbabwe must have recourse to South Africa. The economic lifelines for Zimbabwe, Zambia and Malawi were therefore constantly blocked, and so was their readiness to offer a united front against South Africa. On the other hand, road and rail connections between Mozambique and South Africa remained unimpaired and operated without a hitch, no different from those between the FRG and France, for example.

#### Pretoria as the Supply Center

This striking difference is alone sufficient to provide a clear indication as to who directs the MNR. However, there is no lack of direct evidence of Pretoria's role as the guide and supply center of the guerrilla. It is a fact that the rebel radio (established by the CIO in 1976), "Voz da Africa Livre" (Voice of Free Africa), compelled to abandon transmissions from Rhodesia on 20 February 1980, started to broadcast again 4 months later from northern Transvaal. The MNR headquarters, Phalaborwa, is also located in Transvaal, some 50 km from the border with Mozambique. There is evidence of South African supply transports by air and sea to MNR strongholds in Mozambique, and there are also documents and minutes found on 7 December 1981 following a counterattack by the Mozambique Army. These record meetings between MNR chief Alfonso Dhlakama and South Africans in October and November 1980.

One of these minutes quotes a "Colonel Charlie," later identified as Colonel van Niekerk of the South African Military Intelligence Services, saying that he was

going to send out specialists and training personnel to instruct the MNR in the use of heavy weapons and the conduct of acts of sabotage. These instructors would not only train personnel but also participate in attacks. According to another minute, the South Africans promised ample reinforcements but said that, due to the high cost of air transportation, these would in part be delivered by ship.

Orlando Cristina, Portuguese MNR co-founder and former Pide agent, was an important liaison in such operations. However, in April he was killed--on South African soil--where this No 2 of the MNR had been able to live unmolested for several years. This also illuminates the helping hand of the South Africans, without whose logistic support the MNR would--to quote a Western diplomat in Maputo--"literally dry up." Admittedly, despite this evident direction from afar, the MNR certainly leads a life of its own in Mozambique, witness its membership structure.

In addition to South African mercenaries and embittered Portuguese ex-colonialists, the MNR has been and is still being joined mainly by disappointed Mozambicans. Reasons for dissatisfaction are not lacking. Some are motivated by the poor economic situation to join the always well supplied guerrilla; the others defect to them following demotion or disciplinary action by the Frelimo state party or the army. Incidentally, that was the case of guerrilla chief Dhlakama who fell victim to a clean-up campaign in the army and thereupon defected to the MNR. His predecessor Andre Matsangaissa, an active Frelimo member during the struggle for liberation, had been accused of corruption and detained in a "reeducation camp," from whence he escaped in 1976 and fled to Rhodesia. When he became leader of the MNR, one of his first official acts was an attack on precisely this camp, where he liberated many inmates and got them to join the MNR.

Still, such settling of old accounts and the assignments dictated by South Africa do not furnish a supreme strategic-ideological general conception--although this is not really surprising given the movement's antecedents. At most it is possible to discern an anti-Marxist orientation in the MNR; for example it tends to attack the cooperative villages established on the Tanzanian model. Such villagers as were compulsorily moved to these new settlements, and who still hanker after their former residences, may well welcome the attacks and, as the MNR claims, genuinely feel "liberated." Most, however, came as volunteers and are now proud of the benefits of their new community life--kindergardens, schools, first aid stations, farm machinery. They consider it a tragedy to see their villages burn.

#### Insecure Hinterland

In any case, as usual in guerrilla warfare, it is the people who suffer most. Last year alone the partisans burned down more than 300 small clinics--some of them twice, others even three times. Vaccination programs and the distribution of medicines--both enjoying top priority in socialist Mozambique--have been disrupted badly as a result of the security situation. Only 3 months ago a truck carrying drugs from Maputo to Inhambane (500 km distant) was blown up by the MNR. Security is more or less guaranteed only in the near vicinity of the large cities, all of them in government hands. In the hinterland the situation is so dangerous that the Swedes, for example, who are much committed to development aid, were compelled to in part abandon their most prestigious project, a sawmill and particle board plant in Manica Province, hard hit by the war.

## Traffic Breakdown

Overland traffic has virtually broken down. The roads running from south to north are passable (if at all) by military convoys only. While the railroad (and pipeline) are said just now to be operational, they are working to only 25 percent capacity due to the insecurity and their poor state of maintenance. They earn correspondingly less foreign exchange. Moreover, to quote a diplomat in Maputo, they represent a sitting target that may be hit again at any time. Still, at this moment the MNR does not seem to be interested in direct hits: While the rebels increased their activities to what amounted to heavy fire in the second half of 1982--setting ablaze, for example, the oil storage tanks in Beira port, attacking army installations and even approaching Maputo, the capital, until they were only 100 km away, they have been strikingly restrained since the turn of the year.

When we look for an explanation, we are bound to note that the attacks slackened at the very moment when South Africa and Mozambique first met for official talks at ministerial level in the border town Komatipoort. Though no official information has been given about the subject matter of this surprising dialogue (continued on 5 May), it is certain that it concerned the attempt at an agreement for each country in future to abstain from encouraging the guerrilla movement in the other: Mozambique would no longer back the African National Congress (ANC), South Africa the MNR. Diplomats in Maputo think that, as a goodwill gesture, Pretoria had "whistled back the MNR" at the time of the negotiations. In any case, the South Africans seem to be mindful not to let the MNR go too far. Though foreign observers get the impression that the MNR is intended to "permanently destabilize" Mozambique, shoot down SADCC targets and permanently weaken the government in Maputo, that government is definitely not to be overthrown because: "What could be more desirable for Pretoria in its neighboring state than a tottering, unpopular and--above all--economically unsuccessful Marxist dictator?"

11698

CSO: 3420/26

## MOZAMBIQUE

### MNR CLAIMS VICTORIES, DAMAGES

Liabon 0 DIA in Portuguese 27 Jun 83 p 6

[Text] The Mozambican National Resistance military forces dictate their pace of action to the FRELIMO army, already on the defensive in all the provinces of MOZAMBIQUE, as it is a constant target of the guerrillas, who also attack economic targets, causing heavy material losses of the most varied order and stymieing the pursuit of normal activities.

The last communique of the Resistance just received in Lisbon gives an account of armed movements and action throughout Mozambique, reporting frequent ambushes of government lines--which sustained numerous casualties--as well as of Zimbabwean soldiers.

For instance, in the Sofala Province, government positions were bombed in Vila Paiva, Metuchira, Chibabava, Manguira, Dombe and Maringue, in addition to two ambushes staged against Frelimo vehicles.

The Moatize barracks, in the Tete Province, were also attacked, as well as a position in Zobue, while the Machel forces sustained 23 casualties in an ambush.

Members of the Resistance also destroyed again the Quelimane-Mocuba railroad track in the Naciais area, Zambezia Province, attacking Machel positions and setting up ambushes as well.

In Gaza Province, a convoy was ambushed and burned in the Benjamin area, the railroad line to Zimbabwe, and other attacks to various positions have been reported.

In the same province, the railroad connecting Manjacaze to Chicomo was again sabotaged.

In Maputo Province itself, the Maputo-Zimbabwe railroad was sabotaged near Magude, in addition to the Motaze-Xhokwe railroad in the Lionde area.

In Manica, guerrilla activities include bombings of positions in Inchope-Gondola, Chicandire and Machaze.

#### 146 FRELIMO Members Dead

The Homoine barracks were attacked in Inhambane Province, positions in Jangamo, Massinga, Vila France do Save were bombed, and the Inhambane-Inharrime railroad sabotaged again.

A total of 141 soldiers of the Machel camp and 5 of the Zimbabwe camp were reported killed in these forays.

In its communique, the Resistance declares that the government forces have committed atrocities, executing by firing squad, in one instance, 8 civilians that were being taken by force to the communal village of Machaze and who had revolted, and burning several private homes in the Nhabawa area, in Sofala.

The RNM also accuses FRELIMO of planting mines on tracks used by civilians, which exploded causing several deaths.

The most barbaric case reported involves 45 people summarily executed by firing squad under the pretext that they were collaborating with and supporting the guerrillas in the Sungusse area near Savana, less than 50 km from Beira.

The Resistance claims that it has seized numerous weapons in the course of its operations against the Machel forces, indicating that they were manufactured in Portugal.

12342

CSO: 3442/285

CANADA TO FINANCE NACALA RAILROAD PROJECT

Maputo NOTICIAS in Portuguese 15 Jun 83 p 3

[Article by Benjamin Faduco]

[Text] An important agreement was signed yesterday in Maputo between representatives of Canada and the RPM [People's Republic of Mozambique] as well as representatives of the SADCC [Coordination Conference for the Development of Southern Africa] which grants a part of the financing of the projected renovation of the Nacala-Entre Lagos Railroad, whose overall cost is estimated at nearly 3.8 million contos, most of it in foreign money. This is the largest project of the Commission for Transport and Communications (SADCC) in the field of regional cooperation, as was announced at the time.

The financing for which a protocol was signed yesterday between Canada and Mozambique is to be used in carrying out the first phase of this project, which comprises the segment of railroad between Nacala and Nampula, a distance of 192 km.

This important undertaking will be carried out by a Franco-Portuguese consortium involving three specialized enterprises, specifically BORIE, SAE and DEHE of France and SOMAFEL of Portugal.

The agreement was signed by Robert McLaren, Canadian ambassador accredited to Maputo but resident in Harare and by Luis Maria Alcantara Santos, RPM minister of ports, railroads and merchant marine. Also present was Arthur Blumeris, executive secretary of the coordination Conference for the Development of Southern Africa.

A spokesman for the Mozambican side declared to our reporters that the financing accord on the French side was signed last March and it is hoped that it will be signed by the Portuguese in approximately 1 month or less.

When the agreement is signed with the Portuguese Government the foreign exchange component will be totally covered, the same spokesman emphasized.

## Completion of the Work

The first part of the projected renovation of the Nacala Railroad, whose agreement was signed yesterday by Mozambique and Canada, will be completed within a 30-month period calculated from the conclusion of the agreement with the Portuguese side.

In a still preliminary phase but still within the 30-month term two factories will be constructed for the manufacture of concrete beams. One of the factories will be built in Nampula and the other in Namia'o. The latter is a stone-yard for the production of ballast and crushed rock necessary for seating railroad rails.

These preliminary facts about the accomplishment of this important economic undertaking of regional scope indicate that its high degree of technology and mechanization will demand an average daily production of 1,500 concrete beams and 1,400 cubic meters of stone.

As for the laying of the rails, it may amount to as much as 800 meters a day. The rails will be welded by a moveable shop which will accompany the carrying out of the work.

Using the system of welding by electrical resistance (identical to the one used in the Machava shipyard in Maputo), the rails can be connected into lengths of up to 144 meters, after which they will be laid on the right of way, using here the termite system of welding.

Once the renovation of the Nacala line has been completed, including the replacement of the present rails of 30 kg/meter capacity by rails of 40 kg/meter capacity, the freight and passenger traffic will experience a significant impulse. Freight trains will be able to travel at speeds up to 100 km per hour while passenger trains will reach 80 km per hour.

After completion of the first 192 km between Nacala and Nampula, work will begin on the second part of the projected renovation of that important line. This phase will extend as far as Cuamba, in Niassa Province.

The third and last phase, from Cuamba to Entre Lagos, will be carried out later. It is believed that this part will be renovated by Mozambique alone.

12,116

CSO: 3442/283



AGRICULTURE SECTOR OBJECTIVES PUBLISHED

Maputo NOTICIAS in Portuguese 16 Jun 83 p 3

[Text] The report of the Commission on Economic and Social Directives emphasizes the more intensive and effective use of the resources we possess as one of the objectives to be reached. This report, which constitutes a resume of the directives of the Fourth Congress, establishes the levels to be achieved by the several branches of the agricultural sector. We publish here the objectives defined for this sector by that document.

The objective in the agricultural sector is to achieve greater production by utilizing more effectively and intensively the resources we possess, which will permit increasing yields per hectare, the yields of the agricultural workers and the yields of the peasants. It is also important to cut down on the consumption of imported resources, specifically fuel, agricultural chemicals and animal feed.

In the realm of agricultural production we must pay priority attention to cereals, manioc, sweet potatoes, beans, peanuts, cotton, cashew nuts, tea, sunflowers, citrus fruits, tobacco, mafurra and copra.

Commercial agricultural production should increase by 30 to 35 percent.

Purchases of agricultural surpluses from the family sector should grow between 40 and 45 percent in the period from 1982 and 1985.

In the production branch, we should increase the production of meat and eggs, saving imported resources as much as possible. In this sense, we should devote greater dynamism to the production of swine and small animals and encourage the slaughter of game, thus lessening the problems of supplying meat.

Commercial cattle production should increase by 30 or 40 percent; for this purpose the following steps should be taken:

Beef production--concentrate the principal effort on purchases from the family sector, organizing the network of sanitary assistance and creating permanent centers close to the peasants. Give priority to the provinces of Maputo, Gaza,

Inhambane and Tete. In the entire country, in 1985, we must market nearly 9,000 tons of beef, 2,500 tons of this amount to be from the family sector.

Chickens and eggs--to produce at least 6,000 tons of chicken meat and 55 to 60 million eggs, giving priority for this purpose to poultry feed.

Pork production--to at least double the amount of pork sold to the people, cutting down consumption that depends on imports, especially of cattle feed and utilizing to the maximum garbage and by-products to fatten suckling pigs. The state sector should concentrate on the production of breeding stock and on the fattening of young pigs up to the age of 3 months. It should also ensure sanitary assistance to those producers who specialize in fattening and buy part of their production.

We must adopt concrete measures to guarantee, on the national, provincial, district and local levels, the correct allocation of agricultural commercialization, so as to turn it into an energizing factor of production.

Special attention should be given by local organisms to the salvaging of high volume tanks and to tanks for the watering of bovine cattle for the purpose of raising the yield per animal.

We must both continue and accelerate activities in the agricultural and stock-breeding area to create bases for national production of seeds and breeding stock. Through this activity we should create varieties and breeds adapted to the several agroecological areas. They should also be adapted to the technological levels of the different social sectors existing in the country.

In the forestry branch, we should ensure an increase of at least 70 percent in production. To this end it is necessary to effectively utilize the investments already made in this branch. It is also necessary to increase exports to the maximum without damaging domestic consumption.

We must pay special attention to the organization and development of agricultural research throughout the country, guaranteeing the publication and application of the results of the research. Thus we shall contribute to increasing production and productivity as well as to the rational and economical utilization of resources and to reducing imports to a minimum.

Experimental centers and rural extension centers must be created where the advantages of applying proper agricultural methods will be demonstrated to the peasants. Those methods will bring about increased yields and more efficient work.

12,116  
CSO: 3442/283

## BUILDING INDUSTRY GROWTH REPORTED

Maputo NOTICIAS in Portuguese 16 Jun 83 p 3

[Text] Between 1977 and 1981 there was an increase of 25 percent in the amount of construction done. The positive tendency begun in 1977 is being maintained, as the growth in value of construction between 1981 and 1982 was 4.4 percent, according to the Central Committee Report presented to the Fourth Congress of the FRELIMO Party.

The growth in this sector has contributed in our country to the existence of a national capacity for constructing a large variety of works and projects. Thus, in less than 4 years an assortment of state enterprises has been created covering diverse phases of the construction cycle ranging from conception through projecting to maintenance.

The construction activities, by state initiative, are spread throughout the country.

Buildings have been finished and enlarged and new installations have been constructed to enlarge the network of schools, health facilities and services; also, productive capacity has been increased in the industrial and agricultural domains.

According to the Central Committee report, in the last 6 years more than 100,000 square meters of school buildings and classrooms have been made available; more than 40,000 square meters of health posts and centers and 145,000 square meters of agricultural and stock-breeding facilities and warehouses have been constructed.

In the period between 1977 and 1982 3450 new conventional dwellings representing floor space of approximately 270,000 square meters of covered area were built. This number does not include those constructed through the initiative of production and service units not under the aegis of the state directorate of construction.

In the domain of the highway network, the report reveals that 550 km of asphalted roads have been constructed and 450 km of dirt roads. More than 50 important new bridges have been built in the network of existing roads.

In this category greater annual construction levels were reached in 1981 and 1982 than those achieved in the colonial period.

The state sector is responsible for nearly 90 percent of all the construction in our country.

Between 1977 and 1982 the production of marble, mosaics, granulites and asbestos-cement pipes for construction doubled. The production of stone quadrupled.

The production of lime increased seven-fold and the production of pre-fabricated modules four-fold from 1977 to 1982. The production of brick has tripled since 1979. In each of the provincial capitals there exists today at least one new shop turning out light pre-fabricated articles.

Furthermore, between 1977 and 1982 irrigation works for 9,000 ha of land were completed and totally handed over to the country.

In the realm of irrigation and drainage the constructions in the Limpopo irrigation system, the works of the N'guri irrigation system, the program of small irrigation systems in the Provinces of Cabo Delgado, Niassa and Tete and the drainage works in the City of Maputo are outstanding.

12,116

CSO: 3442/283

NATIONAL ELECTRIC ENERGY OUTLOOK

Maputo NOTICIAS in Portuguese 15 Jan 83 p 3

[Text] "Energy production for domestic consumption has been increasing since 1977 and has surpassed the levels of the colonial period. The principal effort in this sector has been the creation of the national electric energy network, particularly through the exploitation of Cahorra Bassa," according to the Central Committee's report to the Fourth FRELIMO Party Congress.

The report adds that in this field of endeavor 1,000 km of high-tension lines have been constructed, specifically the first phase of the Center-North line, its second phase being under construction.

The first phase of the Center-North line consisted of constructing the 220-kv line between Cahorra Bassa and Mocuba, in Zambezia Province. Its cost was computed at 4 million contos. The second phase of the project, comprising the Mocuba-Nampala trace, is also 220 kv. The third phase has Pemba as its destination and includes a series of branches from the main line to supply industrial centers and other population nuclei of lesser importance.

The fourth phase comprises the Alto-Moiocue-Gurue-Cuamba trace, the Nampula-Angoche trace and the Nampula-Pemba-Montepuez trace.

The beginning of exploitation of the Center-North line will also allow Mozambique to consume directly nearly 20 percent of the energy produced by the dam, with an annual growth rate of 10 percent.

As far as the energy sector is concerned, the report further reveals that the Nacala-Monapo-Nampula line and the Limpopo Valley line are also under construction.

The City of Tete, the Town of Mostize and the coal mines are now supplied by Cahorra Bassa.

Some 800 km of medium-tension lines have also been constructed in rural areas, urban centers and economic units.

An extensive plan for inventorying hydroenergetic resources has just been carried out. As a result of this effort and with the prospect of reducing the

consumption of liquid fuels, the first of the small generating plants projected for Niassa has now been constructed. Three new plants have also been constructed in Lichinga, Nacala and Quelimane and the Inhambane plant has been enlarged.

The effort expended has now brought about the electrification of towns, communal villages and urban districts and has made possible the development of irrigation and light industry.

12,116

CSO: 3442/283

DROUGHT RECOVERY PROJECTS DISCUSSED

Maputo NOTICIAS in Portuguese 16 Jun 83 p 1

[Article by Abel Faife]

[Text] In a measure included in the agricultural recovery projects of the Emergency Program to combat the effects of the protracted drought affecting our country, the Ministry of Home Trade will reorganize the state-owned AGRICOM agency and give autonomy to every province in the process of buying up surpluses from the peasants.

This decentralization, announced by the Minister of Home Trade Aranda da Silva at a meeting held a few days ago with Information, will provide for the establishment of a trading state-owned agency in each province, each having its own warehouse and other infrastructures providing greater penetration into the areas of production.

With the abolishment of AGRICOM a centralized steering unit will be created for the purpose of coordinating the agricultural merchandising activities. However, each province will have its own autonomous agency, with its own name. The purpose of this measure is to eliminate the trend toward unmanageable growth which has been occurring in the present state-owned agency AGRICOM, centrally ruled from the capital, with provincial agencies throughout the country, except in Maputo. Unmanageable growth, a specter that is threatening many of our state-owned agencies, compounds inefficiency and even disorder in the management, administration and operation of available resources.

Agency Operates at a Loss

According to Aranda da Silva, the experience that AGRICOM has acquired so far proves that since it was created its activities have brought positive results.

"In 1977 I saw with my own eyes, in innumerable districts of our country, instances in which peasants had surpluses accumulated over three seasons rotting away because there was no outlet for them. Since AGRICOM was created the situation gradually improved year after year, and today there are practically no parts of the country where peasants can lose their crops

because there is no outlet for them, unless they themselves do not want to sell them," explained the minister of home trade.

Quite to the contrary, very often products such as grain, peanuts and others end up by costing the government very dearly due to the cost of transportation from areas of production such as Mavago, to Cuamba, and from here to Nampula, because an outlet must be found for them, and no other infrastructure exists to accomplish this except AGRICOM.

However, as the minister of home trade would say, various problems such as financing, administration, limited resources, and shortage of personnel, complicate the operations of the agency, restricting its capacity for involvement, in addition to other matters.

"This is why, for instance, AGRICOM is the only Home Trade agency that operates at a loss. They need agronomists, accountants, agrarian experts and various other specialists, but they don't have them. With their present staff, consisting basically of old administration employees and basic agricultural units, the problems could become even more severe.

#### Experiment in the Districts

The experiment of decentralization of AGRICOM will start initially in three districts, on the premise that the district is the basis of planification and the center of agricultural production, which must be provided with warehouses, experts and the proper infrastructure.

In order to avoid waste of effort and limited resources in the sector, the project provides for the autonomy of the provinces themselves, by creating an agency that will be responsible for the purchase and distribution of agricultural surpluses of the family, cooperative, and other sectors, and that will also provide warehouses and be in charge of storing products.

This measure constitutes one of the actions that the Ministry of Home Trade will take under the government agricultural production recovery project, one of the basic struggles in combatting the consequences of drought in the country.

The Ministry of Agriculture, in turn, has been engaged in an intensive program of distribution of instruments and farming equipment.

12342

CSO: 3442/285



RURAL MIGRATION FLOODING CITIES WITH UNSKILLED WORKERS

Maputo NOTICIAS in Portuguese 8 Jun 83 p 2

[Text] In the first 4 months of this year, only 55 applicants got jobs through the Manpower Department of the City of Maputo, despite the fact that there were 2,057 job openings and 1,219 newly unemployed people who registered with this department.

There were 36 men and 19 women among the 55 hired. The low rate of placement stems from the absence of professional qualifications among the applicants.

The sharp rise in applications in the past year--11,824 applicants--does not correspond to the number of placements--836--even though there were 6,967 vacancies.

The same thing happened in 1981. The Manpower Department of the City of Maputo received 11,494 requests for jobs, placed 2,269 individuals in various sectors of work but there were 8,457 positions available.

The ascending curve of requests for placement in the last 3 years is a sign of the migration to the cities and it is always accompanied by a large influx of unemployed, unskilled people who cannot fill the existing vacancies immediately.

Coming from the countryside with inadequate or no professional training, this work force is denied access to employment offers in companies or organizations, through the DTC [Manpower Department of the City of Maputo], because of the rigorous selection of the workers.

There is No Employment without a Permit

The drop in applications between 1981 and 1982 is only a difference of 118 people; however, all the applications made to the various existing structures are not included in these figures.

The drop in the rate of requests is also the result of a series of internal organizational measures introduced by the DTC, which has required a resident's permit since the second quarter of 1982.

Thus, since the DTC acts as a go-between for the supply and the demand, the resident's permit requirement created crowds of unemployed people at the offices of the DIC [City Identification Department]; previously, they swelled the lines at the Manpower Department.

Naturally, the movement to the DIC offices, the long lines and the additional requests for that document hinder normal processing and the regular functioning of that institution which does not have the human and material resources to meet this demand.

Then too, the DIC offices also process individuals from communal neighborhoods with letters of safe conduct or other statements furnished by the political structures of their place of residence.

#### Dreams About Gold

Large numbers of unemployed people go daily to the WENELA recruiting centers, hoping for contracts in the South African (Rand) mines.

WENELA recruiting peaked in 1975 when that organization hired 115,000 Mozambican miners for the Rand, at the height of the erosion of agricultural infrastructures in Mozambique when Malawian labor withdrew from the Republic of South Africa.

The high price of gold, prospects for reopening old mines and the discovery of new lodes in that country also contributed to this increase.

The solution to the problem of this unskilled labor is to start combing the city of Maputo to free the capital of unproductive individuals and subsequently integrate them into socio-economic sectors in rural areas.

9479

CSO: 3443/286

## BRIEFS

CHINESE RED CROSS AID--The Red Cross of the People's Republic of China gave the Mozambican Government \$20,000.00 (approximately 760,000 meticaïs) to help rebuild the areas in Matola damaged by the recent military attack of the racist government of Pretoria. Wang Hao, the Chinese ambassador extraordinary and plenipotentiary to Mozambique, representing his country's Red Cross, presented the money. Valeriano Ferrao, state secretary for foreign affairs, received the contribution on behalf of Mozambique. On this occasion, the Chinese diplomat stressed that the money will be used by the People's Republic of Mozambique to buy equipment and supplies to rebuild in places hit by racist aggression in the Matola area. The contribution of the Red Cross of China was in response to an appeal made to the international community to assist reconstruction efforts in the Matola area. [Text] [Maputo NOTICIAS in Portuguese 4 Jun 83 p 10] 9479

DUTCH AID TO VICTIMS--Pascoal Mocumbi, minister of health, yesterday morning received the sizeable contribution of 15,000 florins (approximately 2.175 million meticaïs) from Tjaco Van Den Hout, the ambassador of the Queen of Holland to Mozambique; it will be used to help victims of the recent attack by the racist government of Pretoria. This contribution, a response to an appeal made to the international community by the Mozambican Government after the incursion by the nazi-fascist South African Government, will be used to purchase medicine. [Text] [Maputo NOTICIAS in Portuguese 28 May 83 p 1] 9479

COOPERATION WITH CZECHOSLOVAKIA--On Thursday, the People's Republic of Mozambique and the Socialist Republic of Czechoslovakia signed an agreement which establishes new areas of cooperation between the two countries in economic and technical-scientific fields, according to ADN [GENERAL [East] GERMAN NEWS AGENCY]. The agreement was signed in Prague at the end of the joint Czech-Mozambican Commission meeting. Among other things, Czechoslovakia will send technical equipment for the textile industry and pharmaceutical products. It will also participate in the final stages of a factory to process lumber in Manica Province. Mozambique will mainly export raw materials like cotton, sisal and "tantaline," among other things. [Text] [Maputo NOTICIAS in Portuguese 28 May 83 p 12] 9479

COOPERATION AGREEMENT WITH SWEDEN--Marcelino dos Santos, a member of the Political Bureau of the Central Committee of FRELIMO Party and secretary of

the permanent commission of the People's Assembly, met yesterday in Maputo with Gosta Adgren, the state secretary for international cooperation and development of Sweden. The latter, who has already left Maputo to return to his country, was on a working visit and held talks with Mozambican authorities; a protocol of cooperation for agriculture, forestry, industry, energy, education, transportation and communication was signed for the 2-year 1983-1985 period. This protocol was signed by Gosta Adgren and Abdul Magid Osman, Mozambican secretary of state for coal and hydrocarbons.  
[Text] [Maputo NOTICIAS in Portuguese ]8 May 83 p 7] 9479

KUWAITI LOAN FOR ROAD PROJECT--The Mozambican Government opened international bidding on the project to rebuild the Cuchamano-Tete-Zobue highway linking Zimbabwe, Mozambique and Malawi, according to officially published reports in Maputo. The highway, located in Tete Province, is approximately 270 km long; basic rebuilding, expansion of some side roads and resurfacing the length of the road with asphalt must be done. The English consulting firm of "Roughton and Partners" drew up detailed studies and drafts and the documents for bidding. To finance this project, the Mozambique and Malawi, particularly for shipping indispensable equipment and supplies to Zimbabwe and Malawi. [Text] [Maputo NOTICIAS in Portuguese 1] May 83 p 8] 9479

PRIVATE TRANSPORTATION TO BE REGULATED--Private transportation in the city of Maputo will soon be regulated, our newspaper learned from official sources. The measure is designed to end the many irregularities in this sector which mainly adversely affect the passengers and the state's treasury. The law, which is still being drafted but should appear shortly, is to regulate a sector where exorbitant fares are determined at the whim of the drivers who many times have more than one passenger on the same trip, collecting from both. Then there are those who obtain licenses to work in one zone but go find work where it suits them. They continue, however, to get gas supplied by the state. In many cases, drivers operate illegally, without a license, preventing the state from collecting the operating fees owed. Despite passengers' unhappiness about the irregularities of private transportation, the public must nevertheless use its services, lacking other means of transportation; urban transportation is unable to meet the need.  
[Text] [Maputo NOTICIAS in Portuguese 8 Jul 83 p 1] 9479

BOTSWANA MINISTER VISITS--C. Blackbeard, minister of transportation and communications of Botswana, arrived yesterday morning in Maputo from his country for an official visit which will last until Friday. During his stay, C. Blackbeard will talk with Mozambican authorities about several matters of bilateral interest in the context of the SADCC [Southern African Development Coordination Conference]. The three objectives of the visit of this member of the Government of Botswana are: exporting that country's coal from the port of Maputo, possibly importing railroad tracks through the port terminals of Maputo and Beira and the services rendered by the TTA to Botswana. [Excerpts] [Maputo NOTICIAS in Portuguese 7 Jul 83 p 1] 9479

NORWAY DONATES CODFISH--The Government of Norway offered 240 tons of codfish to Mozambique, valued at 6,000,000 krone (close to 33,000,000 kwanza\$), as part of a special emergency food assistance program. A source at the Norwegian Embassy in Maputo told the Mozambican Information Agency (AIM) that this assistance is not part of the regular development program set up between the governments of Mozambique and Norway through NOEAD (Norwegian Agency for International Development). The source said that "the minister of foreign affairs of Norway had granted this emergency aid in view of the serious food shortage in Mozambique." It added that there are two reasons for this situation, namely the drought, mainly affecting the southern part of the country, and the problem of armed gangs which create difficulties in the regular transportation of goods. [Text] [Luanda JORNAL DE ANGOLA in Portuguese 12 Jun 83 p 16] 12342

CSO: 3442/285

# FURTHER DETAILS ON NATIONAL BUDGET GIVEN

Windhoek THE WINDHOEK ADVERTISER in English 21 Jun 83 p 4

[Text] **TRANSPORT** retained its first place as the Central Government department with the largest allocation in the National Budget.

With 91,2m voted this year compared with last year's R86,3m, the Transport Vote is traditionally only behind the Finance and the Assistance to Authorities Votes. But both of these service various other government tiers and departments.

However, although up on last year, this year's Transport vote is still lower than the 1981/2 vote which totalled R95,6m.

But if the amounts shifted across the Finance Vote for various compensations to the South Africa Transport Services for the first time this

year are included, the Transport Vote would have been a record one.

The repayments to the SA Transport Services this year (R11m) are more than double last year's R5,1m.

Two thirds of this year's total Transport Vote is set aside for departmental construction and maintenance of roads, bridges and airports — R64,8m — an appreciable increase over last year's provision of R42,6m.

The R19m set aside for contracted work on these same capital items is not much different from the R18m last year, however.

According to the capital works schedule for the main Budget as a whole, R421 000 is to be spent on airports, and R16,2m on roads.

**MORE** than half of the funds voted for Agriculture and Nature Conservation in the latest National Budget are allocated for drought relief — R37m out of R70,1m.

This is about the same proportion as in last year's main Budget when R30,5m out of R59,5m was voted for drought relief.

But there are other provisions for assistance to farmers, most noticeably the R5,7m set aside for the resettlement scheme, — considerably up on last year's R1m.

Other sub-heads for the Agricultural division of this Vote are:

- Veterinary Services — R4,1m (last year R2,1m)
- Development of entrepreneurship — R370 000 (R1 000 last year)
- Price Stabilisation — R5m (R5,6m)
- Plant and Animal Production promotion — R940 000 (R16 500).

The Nature Conservation division of the Vote also contains some of the funds set aside for the promotion of the tourist industry, announced by the Administrator General Dr Willie van Niekerk.

The sub-heads are:

- Nature Conservation and Control — R4,5m (R2,3m)
- Rest Camps and Resorts — R4,7m (R3,2m)

- Trade at Tourist Centres — R2,5m (R2,3m)
- Game and Plant control — R785 000 (a new sub-head).

There are, in addition, general sub-heads which apply to both divisions:

- Administration — R1,8m (last year R8,5m)
- Research — R2,5m (R1,5m)
- Promotion — R143 000m (R1,4m).

The price stabilisation funds are set aside for various subsidies on agricultural products and services as follows:

- Bread, breadflour and flour — the largest slice by far with R3,6m out of the total R5m.
- Maize — R510 000
- Railage on maize products — R500

- Butter — R219 000
- Soil Conservation — R475 000
- Boreholes and wells — R146 000.

With 20 to 30 percent variations on last year's figures, the basic distribution of subsidy funds are constant over the two budgets.

Relief of Distress breaks down to look like this:

- Subsidy on Karakul pelts — R3m (last year R4,3)
- Drought relief for large and small stock — R24,7m (last year R20,5m)
- Meat Export subsidy — R9m (R5m).

Over half of the fivefold increase in the funds set aside for the resettlement scheme this year goes to loans for the purchase of

land — R3,4m out of the R5,7m. Last year only a nominal R100 was set aside for this.

Additional funds for subsidising Land Bank loans have been removed from this Vote and transferred to the Finance Vote (previously reported). Last year, however, R100 000 was earmarked for this purpose.

Other loan funds for the resettlement scheme that

no longer fall under this Vote are for housing for farmworkers, for private debts, and for bush encroachment, as well as the subsidy on combatting bush encroachment (nonloans).

Resettlement loan funds for the purchase of livestock similarly show a dramatic increase — R675 000 — over last year's nominal R100.

Loan funds set aside for security items in the resettlement scheme compare with last year as follows:

- Radio alarm systems — R250 000 (R100 000)
- Security Lighting — R12 000 (R18 000)
- Subsidy on security lighting — R12 000 (R18 000)
- Security fencing — R270 000 (R100 000)

The occupational allowance on the resettlement

scheme, set aside as further loan funds are quite similar over the two years — both around R600 000.

New on the scheme's allocations this year is an additional provision for loans on operating capital amounting to R275 000.

In total this covers 10 loans items under the resettlement scheme, plus another four that have been moved across to new main Votes.

## R7M Set Aside for Defense Force Training

**R7M is set aside for training in the Defence Force in SWA this year, according to the printed main Budget for 1983/4.**

This is a new sub-head in the Defence Vote totalling R71,7m and ostensibly only R1m up on last year.

But funds are channelled to Defence through other Votes too, as was the case last year.

For example, through the Transport Vote, an additional R2,4m is set aside for unspecified capital works.

And a further R2,7m is also provided for Defence capital projects through the Civic Affairs and Manpower Vote.

Last year Defence gained an additional R568 000 through the Civic Affairs and Manpower Vote, also for capital projects.

With or without the capital additions which are not listed in the abstract of current and capital expenditure provided for in the printed main Budget, the Defence Vote is the second largest single Departmental Vote after Transport, and

excluding Finance and Assistance to Authorities, which are two Votes servicing other government tiers and departments.

Using the same scale, Defence also occupied second place last year.

Current expenditure in the Defence Vote are divided into Administrative and Defence categories.

The administrative division provides for:

- R4,7m on remuneration
- R4,4m on supplies, and
- R1m on equipment.

The Defence division provides for:

- R42,8 m on remuneration
- R7,6m on supplies, and
- R2,1m on outside services.

Under Training:

- R2m is provided for remuneration, and
- R4,4m for supplies.

Only amounts larger than R1m are mentioned.

In last year's Budget, in the Defence division of the Vote, about R13,5m was set aside for supplies consisting of fuel, rations, spares and clothing, while another R7,3m was provided for the hire of equipment.

## National Education Gets Good Leg Up

**NATIONAL Educational has received a substantial shot in the arm with this year's budgeted expenditure increasing from R34,7m in 1982/3 to R41,8m.**

A restructuring in the Department of National Education is evident in the sharp drop in funds voted for Administration — from R11,6m to R5,3m — while there is a corresponding

raise in funds voted for School Education — from R4,5m to R14,4m.

And four separate heads have been created for Youth Guidance (R125 600), Archives (R245 300), Language Practice and Development (R284 400), and Examination Board and National Education Council (R32 700).

Both the Academy for Tertiary Education and the SWABC received around

10 percent increases in funds this year.

The Academy's R5,2m (last year R4m), is made up of a R4,2m grant from the Treasury, a R721 000 government loan, and the rest in grants for bursaries — R373 000.

SWABC has been allocated R9,6m for current expenditure and R4,8m for capital projects.

The R887 800 for Promotion of Sport — R887 800 — is made up of a grant to the SWA Sports

Council (R394 500) and provision for the erection and improvement of sport facilities (R400 000).

A total of R341 200 goes to Museums and related services, including grants-in-aid of R4 500 each to the Society for Scientific Development in Swakopmund, and the SWA Scientific Society, and of R16 675 to the Arts Association.

R324 000 goes to Research.

# BASTER ADMINISTRATION LEADER REJECTS BUDGET

Not Sufficient

Windhoek THE WINDHOEK ADVERTISER in English 16 Jun 83 p 1

[Text] THE Central Government sabotaged efforts by the Rehoboth Administration to raise a R6m Swiss loan, Kaptein Hans Diergaardt said yesterday.

Delivering the 1983/4 Budget for Rehoboth in the Legislative Assembly, the Baster Administration leader was reported as saying that the Central Government did not support the loan application because SWA had already accumulated enough outside debt. The loan would have carried a 6,25 percent interest charge.

Kaptein Diergaardt also said in the first reading debate that the Administrator General, Dr Willie van Niekerk, had admitted the latest R13,9m Budget was insufficient.

R11,9m of the Rehoboth Budget is sponsored by the Central Government in the form of statutory grants

while the Rehoboth Administration contributes about R2m from its own sources.

But the statutory contributions by the Central Government were not sufficient in terms of Act 56 of 1976, which prescribes that the South African Parliament must provide for the Rehoboth Administration's finances.

The increase on the Central Government's contribution to the Administration's current expenses — from R7,5m last year to just over R10m this year, was still insufficient to maintain the Administration, the Kaptein said.

The increment also did not take into account that last year the Rehoboth Administration had to borrow R3m to balance the Budget for 1982/3.

A further headache is the new ruling that only five percent of each population group would be provided for by the Central

Government, as far as pensions were concerned.

Of Rehoboth's population, 8,8 percent are pensioners.

R384 000 less has been provided for pensions by the Central Treasury for the current year, according to Kaptein Diergaardt.

Initially, the Administration had applied for a total estimated expenditure of R16,8m.

Only R703 000 has been provided for capital expenditure by the Treasury and the Rehoboth leader said this meant no building activities could be initiated during 1983/4. The amount is R4,5m less than last year.

R1,2m has been allocated to the Rehoboth Development Corporation.

The largest grant by the Central Government goes to Education — R5,1m.

For health R200 000 has been granted and for social welfare and pensions, R813 000.

Budget Accepted

Windhoek THE WINDHOEK ADVERTISER in English 24 Jun 83 p 1

[Text] The Rehoboth Administration stepped back into constitutional line this week when it reconsidered a motion adopted in its Legislative Assembly last week rejecting its own budget.



After urgent consultations with the Administrator General, Dr Willie van Niekerk, the Rehoboth Assembly reconsidered and adopted a motion passing the R13,9m.

The AG was reported to have undertaken to review the R13,9m amount, which was described as being insufficient when it was rejected last week.

CSO: 3400/1577

# PROPOSALS FOR MANAGING FINANCIAL CRISIS REPORTED

Windhoek THE WINDHOEK ADVERTISER in English 24 Jun 83 p 5

[Text]

## A COMMITTEE of experts should be called upon immediately to cut State expenditure and rationalise government activities in SWA.

This is one of the proposals concluding the confidential Finance Department report to the Administrator General last month prior to the announcement of this year's budget.

The document, which severely criticised the present system of State finance control, submitted a five-year plan for budgetary reforms, and proposed a number of immediate changes.

Reacting to the public disclosure of the document by Mr Eric Lang, Dr Willie van Niekerk said on Wednesday night the proposals would be kept in mind for consideration in drafting future budgets.

According to the document, aspects of state cuts and rationalisation to be considered by the committee of experts should include:

- An investigation into the lowering of standards and the use of appropriate technology to minimise costs;

- Greater involvement by the private sector in executing functions presently handled by Government departments;

- A re-evaluation of all State subsidies with a view to their possible removal where necessary;

- Control and supervision aimed at the meaningful and systematic administration of decentralised as well as centralised Government activities;

- Reducing the number of Government officials in favour of fewer but better Civil Servants

- An in-depth probe into running expenses of Government and methods to minimise these. Inspections by a full-time team of experts in development administration should be discussed; and

- An evaluation of all existing legislation with a view to simplifying procedures and raising efficiency.

Besides the tasks of the proposed committee, the document lists several other proposals for immediate implementation:

- A cut in the 1983/4 Budget by seven percent to around R926m — excluding drought aid;

- Reconsideration of all newly-approved grants and to compare their priority with the motivation and importance of existing projects already approved for financing;

- Considering at this time halting all new projects where possible until the financial situation improves;

- Essential maintenance projects which have already retrogressed should get immediate attention and priority. It is more important to maintain existing infrastructure than to create new infrastructure while existing structures deteriorate;

- The launching of a systematic programme for maintenance of capital assets, to be financed through specific allocations in budgets until 1987/88. These allocations should be evaluated alongside other capital grants, and be financed through the same capital Votes; and

- Additional grants formalised for Representative Authorities should be kept in relation to and made dependent on "conscious efforts by Representative Authorities to exploit their own income sources further."

The document also formulated guidelines for rationalisation with 1987/8 as target year.

It was necessary to target these goals *"if the message has seeped through that the Government must cut and rationalise its activities in SWA drastically."*

The goals are:

- Limit new loans to three percent of the gross domestic product. A three percent GDP growth rate is assumed for the next five years;

- Capital projects must amount to about 25 percent of the total estimates of expenditure and must at least be more than the expected borrowing programme;

- From 1983/4 total expenditure must be allowed to grow by only three percent a year until after 1987/8 when an eight percent a year increase would evidently be possible;

- The 1983/4 Budget should be cut by R73m — seven percent.

"This implies a drastic rationalisation of Government activities and a corresponding staff decrease and running costs of about seven percent each year,"

- Guidelined allocations for capital projects will rise correspondingly from R185m in 1983/4 — about 18 percent of total expenditure — to R262m in 1987/8 — the targeted 25 percent of total expenditure;

- Loans should drop from R146m in 1983/4 to R87m in 1987/8 — about three percent of the expected GDP, and

- Should a real growth rate of three percent not be reached from 1984/5 onwards *"this programme will have to be reconsidered and further savings implemented."*

According to the document, certain additional results will be achieved if

the programme is adhered to.

These are:

- The accumulated burden of debt as percentage of the running expenses should decline from a peak of around 149 percent in 1984/5 to 139 percent in 1987/8;

- The interest burden on outstanding debts should level off to around R169m a year. It should stabilise at the peak of 24 percent in 1987/8 and drop after that.

- Government expenditure as a percentage of expected GDP will drop annually from the "unacceptable peak of 60 percent in 1982/3 — the threshold of socialism —" to 37 percent by 1987/8, and as low

as 32 percent in 1990/1; 1987/8 to permit larger expansions in state expenditure. Reckoning will have to make, however, with the recovery of domestic borrowings which will have an effect as from 1989/90 and which should reach an annual peak of between R129m to R170m from 1991/2 to 1992/3;

- It would therefore be desirable to still continue with cuts in expenditure from 1987/8 in order to be in a position to accommodate these increases in

- After a period of "utterly strict discipline" it should be possible from expenditure once the loan repayments fall due; and

- *"If this action*

*programme is phased over a period longer than five years for the goals outlined in by 1987/8, it is doubtful if the result then shifted further into the future, will be achieved."*

*The financial implications of these proposals are "cuts in the patterns of expenditure of all institutions financially supported by the State."*

*And these recommendations could lead to the reduction of staff appointments at several Government departments.*

*"All departments and government supported institutions are affected by decisions to be taken. It is therefore desirable that everyone is informed about these implications," the document concludes.*

CSO: 3400/1577

# SWA FISHERIES DIRECTLY CONTROLLED BY LOCAL GOVERNMENT

Windhoek THE WINDHOEK ADVERTISER in English 21 Jun 83 p 4

[Text]

**SEA Fisheries figures as a new sub-head in the Economic Affairs Vote of the National Budget for the first time this year — transferred from the Agriculture and Nature Conservation Vote where it used to be located.**

This also reflects the shifting of the control of this function from the exclusive direction of the South African Department of Sea Fisheries in Cape Town, to the SWA interim government.

R2,2m has been set aside for Sea Fisheries, consisting of Salaries and Related Payments (R440 000), Supplies and Equipment (R730 000), and External Services (R986 000) — which includes the hiring of patrol services from outside private operators.

Last year Sea Fisheries was allotted half this amount — R1,1m — through the Agriculture and Nature Conservation Vote.

But by far the biggest slice of the Economic Af-

fairs Vote totalling R28,7m — more than double last year's R12,9m — goes to Swawec, and Enok under the sub-head Industrial and Commercial Development — to receive R23,1m which is again more than double last year's R9,5m.

Half of this sub-total — R12,8m — goes to Swawec, and the rest to Enok as follows:

- Taking up of shares by the Government in the Corporation — R9,3m compared with last year's R9m;

- A contribution for financing high-risk projects — constant at R500 000; and the

- Recovery of operating losses undertaken at the request of the Government — R340 000. It is basically this amount which pushes Enok's grant-in-aid up over last year's.

The amount voted for Tourism through the Economic Affairs Vote does not reflect the sharp increase announced by the Administrator General, Dr Willie van Niekerk, as part of a massive tourism

promotion drive in his Budget speech.

Under this particular Vote, only R697 500 is reflected in the printed Budget, against R1,1m last year.

The AG said in his speech that this year a 78,5 percent increase in tourism expenditure had been provided for — R12,2m compared with last year's R6,8m. Dr Van Niekerk also said at the time that provision for capital expenditure to promote tourism had been raised fourteen-fold — from R302 000 to R4,3m.

The difference between the amounts announced in the Budget speech and what emerges under the Economic Affairs Vote are mainly in the Agriculture and Nature Conservation Vote. (See report elsewhere).

## GEOLOGICAL SURVEY

Still on the Economic Affairs Vote, however, the sub-head Geological Surveys had doubled from R679 000 to R1,4m.

But funds for the promotion of export trade shows a drop from R80 000 to R64 500.

MALPRACTICE IN ADMINISTRATION OF SWA ALLEGED

Johannesburg THE CITIZEN in English 16 Jul 83 p 10

[Text]

WINDHOEK. —Conditions in the second-tier administration for Hereros had deteriorated to such an extent the Administrator-General of South West Africa would have to intervene without delay, the Thirion Commission of Inquiry heard in Windhoek this week.

The Commission's chief investigating officer, Mr A G Visser, said in evidence that since December last year financial control in the administration had ceased.

He told the Commission, which is investigating alleged malpractices in the administration of the territory, that a matriculated, young Herero clerk who had about two years experience was in charge of the Finance Department of the administration which had a budget of R19 million last year.

The budget had been exceeded by R14 million.

Mr Visser said the clerk was doing the work of four accountants. He had to sign cheques, pay salaries and keep the books.

"I am convinced that this administration cannot continue in this way," Mr Visser said.

Another member of the Commission's investigating team, Mr Johannes Calitz, said he had no option but to recommend to the Commission that the Herero administration contract an agency agreement with the Central Government for trained officials to help out.

"The situation is so critical that it requires immediate attention," he said.

Severe problems in the administration of State Revenue in the territory were also costing South West Africa "millions of rand," the Commission of Inquiry heard.

The department of the Receiver of Revenue also came under the spotlight of the Commission, which is investigating alleged malpractices in the administration of the territory.

A senior South African tax inspector, Mr Jacob Heydenreich, said no effort had been made since 1979 to trace people who had not submitted tax returns.

He also said that general sales tax owed to the Treasury was estimated at more than R1 million — but it could be much more.

Tax inspectors last visited business concerns in

October last year.

He said the shortage of personnel was one of the reasons for bottlenecks in the department, while other problems included lack of proper supervision and control of officials, laxity and failure to make optimal use of staff available.

"It is a question of lack of experience from the highest to the lowest ranks," Mr Heydenreich said.

He said the Commission's team of investigating officials and had uncovered a taxpayer who had owed R19 000 in tax for a considerable time, but Revenue officials had made no attempt to recover the money.

In the relatively short period that the Commission's investigating team had been active in the affairs of the department, it had traced an additional amount of R1,6 million in tax.

He said the Receiver of Revenue's office was already in arrears with 45 000 tax assessments.

"I anticipate that this backlog will increase to 55 000 next year.

Unless matters improved drastically, the Directorate of Internal Revenue would stop functioning within three

years, Mr Heydenreich said.

The commissioner, Mr Justice P W Thirion of Natal, commented on the share in a liquor store which the South West Africa Receiver of Revenue, Mr J Lubbe, had held.

Mr Lubbe allegedly did not have written permission to run a business concern, although it was laid down that it was necessary in the Civil Service Act.

"It presents a beautiful image when you buy your liquor from your Receiver of Revenue," Mr Justice Thirion remarked.

"It is an equally nice picture when the receiver queues in the bank with his money bag."

CSO: 3400/1665

# 'NEWBREED' POLITICS DESCRIBED

Kaduna NEW NIGERIAN in English 26 Jun 83 p 9

[Article by S. G. Ikoku: "MKO and the Newbreed Politics"]

[Text]

**IN the dying years of the 1966 — 1979 military interregnum, the people of this country began to hear of the newbreed. These were supposed to be men and women of the new generation of political aspirants. All that was known of them at that time was that they were new in politics, and anxious to play their part.**

The name newbreed was popularised by the press. Prominent in this exercise was the group of magazines published by Chief Chris Okolie. Indeed one of his magazines was christened "Newbreed." Soon newbreed became synonymous with the dashing fledgeling in every field of our national life.

On the return to democratic civil rule on October 1, 1979 a few of the newbreed made dramatic appearances in the executive arm of government, and among the legislators. Their presence was specially noticeable among state governors. The more striking one in this category of the newbreed were Rimi, Balarabe Musa, Goni, Barde, Jim Nwobodo, the late Kangiwa, Awwal, Bola Ige, Jakande, etc.

Gradually however, the name, newbreed, became reserved exclusively for Rimi, Balarabe Musa, Goni and Barde, partly because the Kangiwas, the Iges and the Nwobodos chose to affirm their loyalty to their party leadership; and partly because many new entrants into the nation's political arena have acknowledged albeit grudgingly the need for systematic apprenticeship. Thanks to the impetus given to subversive behaviour within the PRP and GNPP via the 'Nine Governors Meetings', the newbreed governors had come to be associated with distinctive traits — disloyalty to the party line, indiscipline, and eagerness

to take over leadership roles in their respective political parties.

The nation saw them in conflict with their parties, with the judiciary, with traditional rulers, with accepted norms of individual behaviour. The name newbreed had ceased to connote just new entrants into the various facets of our national life. It had become a derisive appellation for the politically unstable and unreliable.

As we moved away from 1979, these newbreed governors became engaged in political activities, the similarities of which tended to suggest that a distinct pattern of politics had emerged. Perhaps, at the early stages, this similarity in activities was due to the newbreed governors being teleguided from one source — the UPN. But later, the same tactics were employed against Chief Awolowo himself by these same governors. Today, only a few months from the end of their four year rule, enough evidence has been amassed on the activities of these newbreed governors to justify "newbreed politics" being classified as a type.

"Newbreed politics" is a phenomenon that will reward serious study by political scientists, sociologists and students of Third World development. For the development of this type of politics is likely to have a significant bearing on Nigeria's national evolution in the coming decade.

Even a cursory appraisal reveals that 'newbreed politics' has its distinctive characteristics. The very limited space available here does not permit in-depth consideration of these characteristic features. However, 'newbreed politics' can be summarised as a few canons of behaviour or operational tenets. Set out in the imperatives of political guidelines, these operational tenets are:-

1. Fasten on to one of the old names in Nigeria's political life as the political mentor. The names are Awolowo, Azikiwe, the late Aminu Kano, Shagari, Ibrahim Waziri.
2. Secure a firm cash base. The ideal areas are Chief Executive of a State or a major contract.

3. Build up your personal power. This is best attained either by exercising state power, or by building a business empire. Use state power and/or business power to create personal power cells in the bureaucracy and the uniformed services.
4. Use your newly-acquired political clout — state power, cash, influence — to displace your old brigade mentor and seize control of a political party machinery.
5. If by any chance you run into political storms in your effort to gain control of a party machine, play one old brigade politician against the other.
6. Establish links with foreign interests, and specifically with multi-national companies, financial consortiums, and Western secret services.
7. assume the posture of identifying with the masses by shouting socialism (Note: it is better to use the term 'progressive' in order to avoid both friction with fellow newbreed at home and consternation among your collaborators abroad); and by vilifying the power base of the old brigade politicians as feudalism and tribalism.

Analysts had all along thought that newbreed politicians were the special creation of the pseudo-left in Nigerian politics. Recently, however, evidence has unfolded a newbreed politician from the political right. He is Chief M. K. O. Abiola.

Chief Abiola rose to fame as the Vice President, for Africa and the Middle East, of the giant telecommunications multi-national corporation, the ITT. He could ascend to this high office because of a \$400m. telephone contract awarded him by the late Murtala Muhammed. The chief's pinnacle position in one of the most powerful multi-national companies in the world was further confirmed by another \$400m. contract, again for telephone, awarded him this time by the Shagari administration.

Chief Abiola was able to plough part of the huge profits accruing from these contracts into setting up the Concord Group of Newspapers comprising the 'Na-

tional Concord', the 'Sunday Concord', the Yoruba language 'Isokan' and the Hausa language 'Amana'. The 'Concord' story is a success story. In a little over three months, the 'National Concord' was rubbing shoulders with the 'Daily Times', the 'Punch' and the 'New Nigerian'. Its daily circulation had outstripped that of the 'Tribune', the 'Sketch', and the 'Daily Star'. Through his print medium empire, Chief Abiola was wielding real power in the nation's politics.

Chief Abiola was not just a mentor. He had become a bright star in the political firmament. He went about systematically to spread his personal influence through donations. His primary target was the service of Islam, though he did manage gifts for charity and cultural organisations clubs and associations of all kinds. In politics, the chief had risen to the Chairman of the Ogun State Wing of the party. He was very close to the top flight of NPN national leadership on financial matters.

Dizzy with success, Chief Abiola saw himself not just as a star but as the brightest star in the heavens. Impatient and disdainful of the need for political apprenticeship, Chief Abiola, in the true newbreed style, began his determined bid for political power.

The first effort was made in the 1981 NPN National Convention in Kano. He tried to grab the office of National Chairman of the NPN in order to put himself in a vantage position for the tussle for the NPN presidential nominations in 1983. He failed.

The chief made his next bid for political power in 1982 when the NPN was gearing up to choose its presidential candidate for the 1983 elections. Benefiting from the supporting fire of the Yoruba Solidarity Group, Chief Abiola strove to block the re-nomination of President Shagari for a second term. He got caught up in a devastating cross fire by Chief A. M.A. Akinloye; and by the puncturing of his philanthropist balloon by Transport Minister Umaru Dikko. The chief did not just fail. He was routed.

The only way to stay afloat was to announce his resignation from politics and from all public offices. The tactics worked. For the

announcement of his resignation from politics had the effect of stopping a humiliating march on him by his political opponents.

Ironically, Chief Abiola found solace in Chief Awolowo. From overseas, the UPN boss congratulated Chief Abiola for his resignation, adding that the young chief was occupying a position in the NPN that was below his status. Clearly, the befitting status should have been the presidential candidate. Yet Chief Awolowo made no attempt to offer this position to Chief Abiola on the UPN platform.

Chief Abiola retired to lick his political wounds. His group of newspapers proclaimed their independence of both political parties and governments. However, under this convenient facade, the 'Concord' group of newspapers have gradually confirmed themselves as anti-Shagari and pro-UPN/NPP. Support has been given to and received from the newbreed governors of Kano, Kaduna, Borno and Gongola states. As at now, the so-called independence stance of the 'Concord' newspapers has been reduced to a firm under-cover support for the NPP.

This development is no surprise. It is logical and quite natural. For it corresponds to Chief Abiola's own leaning on the side of Azikiwe. Indeed editorial guideline has gone out to the 'Concord' newspapers not to attack or criticise Dr. Azikiwe. The 'Concord Forum' has been monopolised by top names in the UPN and NPP. Federal government performance is portrayed in bad light. Even the national interest is thrown overboard in this hectic striving to embarrass the Shagari administration. Classified materials are recklessly published. The latest account of the fighting in Chad claims that it started when Nigerian troops went deep into Chadian territory. So, Nigeria is the aggressor.

The 'Concord' newspapers are all out against Transport Minister Umaru Dikko. Quite understandably! For it was Umaru Dikko who punctured Abiola's charity balloon as part of a well-laid plan for capturing the NPN nomination for the 1983 presidential elections. In this assignment these newspapers fasten on two issues.



First, the Presidential Task Force on Rice, quoting all sorts of astronomical figures unrelated to reality. But these myopic newspapers are obvious to the economic truth that food prices would have risen to riot-inducing proportions, because of the late arrival of this year's rains, if imported rice were not available in sufficient quantities to act as a bumper on these prices.

Sec [as published] it is asserted that Shagari is guilty of a breach of the NPN constitution by appointing Minister Dikko to head a 'party' office as the Director General of the President's Campaign Office. These papers conveniently fail to know that the President's Campaign Office is not a party post. Perhaps these papers can help themselves by citing the section of the NPN constitution that sets up the President's Campaign Office.

The strident attacks on Minister Umaru Dikko by the 'Concord' group of newspapers is

aimed at something more sinister. To dislodge the Director-General of the President's Campaign Office is perhaps the most direct approach to the disruption of the President's electioneering campaign. The vitriolics on Dikko are thus loaded pistols pointed at the trend of the NPN.

These tactics by the 'Concord' Group of Newspapers arise from the fact that the proprietor, Chief Abiola, despite his fanfare announcement about retiring from politics, is very much active in political circles. The available in-

formation is that he has settled for the Nigerian Peoples Party (NPP).

The propaganda stance in Chief Abiola's re-entry into active politics differs from that of the newbreed governors. To the chief, all talk of socialism, however demagogue and calculated to deceive, is anathema. Instead he relies on two points — the need for efficiency in running our public affairs (A protestation belied by his handling of our telephone); and the right of every ethnic group in

the country to aspire to and attain the Presidency (A point which only the NPN of all the political parties has made a cardinal tenet).

Chief Abiola's calculations, in his drive for the Presidency, are pretty obvious. Should Shagari win a second term in office, the presidency in 1987 would go south. Being a muslim would be an asset with the predominantly muslim north. Owning a group of newspapers provides a formidable weapon. Membership of the UPN would create a tribal halo which could prove harmful.

In the unlikely event of Dr. Azikiwe winning the Presidency this year, the position of the 'Concord' group of newspapers places Chief Abiola in an eminent position in the corridors of power, and assures the continued inflow of federal government contracts.

Thus, whichever way any political fortune swings, Chief Abiola and his group of newspapers remain an important reference point. Clearly the Concord dynasty has established its presence in Nigerian politics in defence of clear cut personal ambition.

CSO: 3400/1576

CALABAR/OGOJA YOUTH COUNCIL RAPS CBC

Lagos THE NIGERIAN CALL in English 22 Jun 83 p 5

[Text]

In the past two months or so the people of the Cross River State have been fed with deliberate falsehood by the so-called Cross River Broadcasting Corporation better called Clement Broadcasting Corporation. Since coming under the Chairmanship of the lousy Anietie Okon the Cross River Broadcasting Corporation has continued to play the part of a rebel media. More or less, the Radio Station has assumed a posture that can at best be termed unfriendly to the National Party of Nigeria and, indeed, the Federal Government. It claims there is nothing good about the NPN, the Shagari Administration or any Nigerian who has anything to do with the NPN. On the other hand, everything about the UPN is perfect and Awolowo has suddenly become a magic name for the Radio. Things do change indeed.

Every morning, afternoon and evening, the radio has tried hard to tell the people how it is that the NPN has forsaken them and the UPN has come to redeem them. In the process massive lies are told, facts are distorted and good manners are thrown overboard.

But the question is: does the radio and all those character whose past-time it is to misinform the people really think they are succeeding? Do they think they can stuff their already bursting pockets with more and more Naira at the expense of the common man? We of the Calabar/Ogoja Youth Council will like to warn these renegades to desist from their ill-motivated falsehood for the good of the people of this State.

Awolowo and his party will not help us. The party is only interested in causing confusion. Most of the party's fanatics are deserting Awolowo and declaring for the National Party of Nigeria. Has any of the people now singing the praises of Awolowo and his party ever stopped to think why faithfulls like Adedokun, Oshinowo, Omoboriowo and others are parting ways with Awolowo? We imagine that those who are today professing to be on the side of the UPN have lost their reasoning because of their monetary gain. They can even sell their birth-right when it comes to money.

We are also aware that the entire scheme is in bad taste as the initiators are bent on installing a State government which will only serve the interests of the Ibibio "majority" to the detriment of the so-called minorities. And like our dear President, Alhaji Shehu Shagari, observed the Ibibios who talk of neglect and imaginary exclusion from the scheme of things are doing

everything to exclude Etiebet — who is from a minority tribe, from coming to power. Ironically, it was Isong who chairmaned the minority meeting at Makurdi to protest against domination by the WAZOBIA (Yoruba, Hausa and Ibo) group. That was when it suited and concerned Isong. This is absolute selfishness and a grand design to lord it over others. The “CBC” and its operators have no moral justification to deceive the people with their jungle journalism.

The Radio station think the people of this area and other minority tribes in the State will be deceived to go along with them then they have not yet learnt. No amount of Biafran-type of propaganda against the Shagari administration will poison the minds of our people against the NPN. We want to remind the people behind the mast in Cross River Radio that the Ibos tried harder during the Nigerian Civil War but failed. They could not succeed because their intentions were not noble. Equally, the propagandists in the so-called “CBC” will fail because they think evil and are turning round to bite the very finger that is feeding them.

We had said it before and we want to say it again, that it is the entire Ibibio group which stands to benefit most when the NPN is returned to power in this State. Why should the few selfish Ibibios want to mislead others into believing that their salvation lies in the UPN and in Awolowo? We on our part would want the Ibibios to think it over and to realise that they are being deceived. The role being played by the so-called Cross River Broadcasting Corporation is mischievous and is intended to misinform, misdirect and influence the people. We condemn the “Clement” Broadcasting Corporation — CBC — in the strongest term.

Every now and again the “CBC” is drumming the issue of the creation of the New Cross River State. When did the Isong Radio start falling in love with this idea of creating another State out of the Ibibio Empire? They would want us to believe that it is Shagari, Wayas and indeed the NPN that is toying with the idea of states creation as a strategy to score cheap political point. We know the truth. The truth is that it is the people behind the mast in “CBC” who have vowed to thwart every genuine moves of the NPN to create the New Cross River State. We know the ignoble roles of some persons and organisations including the UPN who are hell bent to stifle every effort at states creation — particularly the creation of the New Cross River state.

How then can this nuisance of the UPN mouthpiece called the “CBC” hold the issue of states creation against the Shagari’s administration. It has no moral justification except that with the “CBC” there is nothing called morality. ‘The end justifies the means’ is the doctrine of the “CBC” and its masters. This explains the crude manner in which the radio has been attacking decent people. We sympathise with those organisations and all the people associated with it but we want to make it crystal clear that they will not carry the minorities along with them. We know the bone of contention and that is that the NPN is fielding someone who is from the minority tribe as a governorship candidate of this state.

As Mr. President rightly pointed out during his campaign tour, the cause of the present friction in the Cross River State stems from the demand for the creation of the New Cross River State which demand has received the support and blessings of Mr. President. It could not have been better put. Shagari is being persecuted, Wayas is being called names and NPN is being stultified and condemned because they all stand for and champion the state creation issue. This much we know and do not need to be told.

This is why we shall continue to stand by the NPN and indeed, the Shagari administration. The minority tribes in this State will not forsake the NPN for we know that our interest is better protected in the NPN and that the UPN will only suppress our aspirations and leave us perpetually in servitude. As for the "CBC" and its masters, we wish them luck in their game of deceit and calumny but they cannot win us over.

*Long Live The Federal Republic of Nigeria*  
*Long Live The President, Alhaji Shehu Shagari*  
*Long Live The Calabar/Ogoja Youth Council.*

E. O. Asuouo, Chairman  
I. Ogometu, Secretary

CSO: 3400/1576

KADUNA PRP FACES ANOTHER CRISIS

Kano SUNDAY TRIUMPH in English 26 Jun 83 p 1

[Article by Emman Omoha]

[Text]

BARELY eight weeks after the reunification of the Peoples Redemption Party, (PRP), the party is now facing another crisis that might finally wreck it in Kaduna State.

The protagonists in the new crisis of confidence are the gubernatorial candidate of the party, Alhaji Musa Musawa and the one-time Governor of Kaduna State, Alhaji Balarabe Musa.

An insider said the trouble started after it was discovered that one of the terms of reunification adopted in May, this year, was not being followed by the governorship candidate of the party in Kaduna State.

Investigation also revealed that Alhaji Balarabe Musa is now very sceptical of the party's chances in view of the "show of power" being exhibited by the governorship candidate in the state.

The loss of confidence, which is now rocking the party is believed to have followed the replacement of the list of names of candidates submitted by Alhaji Balarabe Musa to contest

this year's elections with another list prepared by Alhaji Musa Musawa.

One of the terms of the reunification was that Alhaji Balarabe Musa should provide 60 per cent of the candidates to vie for this year's election while Alhaji Musa Musawa provides 40 per cent.

It was learnt that after a masterlist was adopted by the party based on percentage, Alhaji Musa Musawa allegedly changed the names on the list.

Some of the signatories to the reunification documents are now known to be campaigning openly for the NPP in the state.

The campaign of Alhaji Balarabe Musa's group is reportedly based on the fact that the candidates of the NPP in Kaduna State are men of "integrity who would give the state a sense of direction."

Alhaji Musa Musawa has threatened to 'expel' anyone who plans to impose candidates on the party, giving the indication that there was a division in the party in the state.

DEATH OF GUBERNATORIAL RUNNING MATE REPORTED

Lagos DAILY TIMES in English 23 Jun 83 p 1

[Article by Frank Akinola]

[Text]

**T**HE GNPP gubernatorial running mate in Oyo State, Mr. Samuel Adeyemo, is dead. He was aged 45.

He died at the Ogbomosho Baptist Hospital from injuries he received during an alleged encounter with persons suspected to be party thugs last week-end.

Mr. Adeyemo was among those discharged but he was taken back to the hospital few days later when he started to vomit blood.

According to eye-witness accounts, Mr. Adeyemo had attended a meeting of the party's state executive in Ibadan.

On his way back with his entourage, a group of people suspected to be party thugs allegedly attacked them resulting in a free-for all fight.

In the commotion that followed, several of the members of the entourage and the attackers received serious injuries.

The Ogbomosho police were alerted and the latter brought the situation under control.

Some of the alleged thugs and party stalwarts including the gubernatorial running mate who received injuries were later taken

to the Ogbomosho Baptist Hospital by the police for treatment.

The eye-witness account stated that several dangerous implements were used in the fight while the vehicle in which the GNPP members were travelling was completely damaged.

It was gathered also that one of the GNPP members injured in the incident, Mr. Simeon Adelakun, is still on danger list.

The police have stepped into the incident our sources disclosed but it was not known whether arrests have been made yet.

Attempts to contact the police headquarters in Lagos over the incident failed yesterday.

Mr. Adeyemo is survived by two wives, six children and an aged mother.

BORNO STATE SCHOOLS CLOSE EARLY

Kaduna NEW NIGERIAN in English 21 Jun 83 p 1

[Article by Ibrahim Biu]

[Text] **ALL post-primary institutions with over 100,000 students in Borno State have been closed down — almost a month earlier than scheduled — due to lack of funds to feed the students**

**Out of the number of students sent away from these institutions, 47,000 were from secondary schools, 21,000 from teachers' colleges while the remaining were day students.**

Shortly before the closure of the institutions, students in the nine schools in Ngamdu, Bama, Benisheik, Damboa, Damaturu, Biu, Uba, Monguno and Gashua numbering more than 35,000 staged violent demonstrations in protest against inadequate feeding.

Sources said that the students were being fed only once daily because their food contractors decided to ignore the appeals made by their principals to keep on supplying food to the schools.

The Permanent Secretary, Ministry of Education, Alhaji Ibrahim Musa, said the non-payment of food contractors was not responsible for the early closure of schools.

He said it was only about 3.9 million Naira out of the claims submitted by contractors that was still not settled.

The ministry, according to him, paid out five million Naira within the last one month to food contractors.

Alhaji Ibrahim further explained that it was not true that students in the state had not been told when to report back to their schools. He said schools would resume on September 26.

Already, more than 200,000 primary school pupils in the rural areas are no longer attending school because of the decision by certain local government councils to close them down for lack of adequate funds.

The New Nigerian understood that contractors responsible for supplying food to post-primary institutions in the state decided to withdraw their services because the state government had failed to settle their claims totalling 9.2 million Naira for the past one-and-a-half months.

TOTAL VEHICLE SALES FOR 1982 REPORTED

Lagos BUSINESS TIMES in English 27 Jun 83 p 24

[Article by Roseline Umesi]

[Text]

**A** TOTAL of 187,987 vehicles were sold in Nigeria in '1982. These were made up of 89,818 cars and 98,169 commercial vehicles of 2 tonnes and above.

According to the statistics from the motor trade group of the Nigerian Chambers of Commerce, 61,653 cars sold were Peugeot cars representing 68.9 per cent of the total car sales. Volkswagen cars came second with 17,880 car units representing about 20.9 per cent of the total car sales.

Datsun cars sold were 7,136 representing 9.8 per cent of the car market share. Other brands of cars sold were 1,075 Mazda, 508, Renault, 287 Mercedes, few Volvos etc. Few number of Toyota cars were sold but ranked second in the sales of commercial vehicles of 2 tonnes and above. A total of 25,011 Toyota commercial vehicles were sold representing 23.2 per cent share of the commercial vehicles sales.

Datsun commercial vehicles were second

with a total sales of 25,971, and this represented 29.4 per cent of the total in that group.

The Peugeot pick-up old were 14,190 (14.1 per cent) of the commercial vehicle sales.

Volkswagen commercial vehicles sold were 4246 which represented 4.2 per cent. Bedford commercial motors sold were 4774 and (5.0 per cent), Fiat 1863 and (1.9 per cent), Mercedes 4,521 (4.8 per cent) Styre 906 (0.8 per cent) the total sales in this group. Leyland sold 1603 representing 1.7 per cent of the sales of commercial vehicles.

L200/L300 brand of commercial vehicles sold were 3504 (4.8 per) share in the group.

There were other minor sales of other brands of vehicles. Although there was general decline in the sales of vehicles in 1982 compared with 1981 when over 300,000 vehicles were sold, but it is obvious that some sales may not have been recorded more especially those vehicles imported directly by the owners.



# NATION FACES SERIOUS POWER-SUPPLY SHORTAGE

Kaduna NEW NIGERIAN in English 25 Jun 83 p 7

[Article by Eddie Iroh]

[Text] **NIGERIA, one of the world's top 10 crude oil producers, is facing a serious power-supply shortage.**

**Prolonged blackouts are even causing worries that ballot counting in next August's general elections might be conducted by candle light, increasing the risk of polling fraud.**

Already all the six political parties in the give-stage race have accused one another of hatching plans to 'rig' the elections.

Electric power supply has never ceased to be a problem for Nigeria, even in the midst of its oil boom, since independence 23 years ago. In the 1970s the oil boom accelerated both urban and industrial development and demand for electricity more than trebled.

The old Electricity Corporation of Nigeria (ECN), established by the British colonial administration in 1950, received a major boost in 1969 with the commissioning of the Kainji hydro-electric project. In 1972 the military Government of General Yakubu Gowon restructured power supply and distribution under a new body, the National Electric Power Authority, popularly known by its acronym NEPA.

But NEPA is largely credited by Nigerians with marking the era of erratic power supply. Frustrated consumers ridicule it variously as 'Never Expect Power Always', or 'No Electric Power Again', and 'Not Even Properly Administered'.

Not many consumers accept NEPA's explanation that 'illegal connections' by households over-load their transformers, forcing it to shut off large sections of cities at a time. They argue that only NEPA can connect new homes to the grid and that where this has been done illegally, it was by corrupt NEPA technicians for money.

The power shortage has proved embarrassing to Shehu Shagari's administration, and to the President personally. On a recent tour of Ogun State, his speech at the opening of a brick factory was interrupted by power failure. NEPA officials had to apologise publicly for the cut.

On at least one occasion in the past, a State banquet presided over by Shagari was plunged into darkness.

Equally embarrassing to administration officials are reasons given by NEPA officials for the black-outs. In March, managers at the Kainji power station blandly explained that a three-day nationwide power-cut was caused by a rattlesnake. Another cut was blamed on a rat.

In the past six months, 'load-shedding', as NEPA calls the power-cuts, has plunged millions of urban Nigerian homes into an average 18 hours of blackout a day. The hardest-hit districts go without light for up to two weeks. Others get one hour's token power supply every day.

A recent survey by the Federal Office of Statistics says that some 49 per cent of urban dwellers now use kerosene for cooking and lighting, while only 2.61 per cent of the vast rural population get any electricity at all; 82 per cent of rural people still use fire-wood for cooking.

The power shortage has produced a boom for dealers in stand-by generators and candles — and an astronomical rise in their prices as the blackouts get

longer and more unpredictable.

One of every five homes in the middle-class sections of Nigerian cities runs a generator. Most industrial and commercial establishments are powered by generators during power failure, although one industrialist insists that the reverse is the case. 'We use NEPA as a standby generator,' he said.

Some critics suggest that powerful men in government have deliberately obstructed plans to solve NEPA's problems because they have private interests in generator sales.

President Shagari's main rival in the elections, Chief Obafemi Awolowo, whose party's emblem is a flame framed by a map of Nigeria, has promised not only to ensure regular power supply, but to

scrap the much-maligned NEPA.

The country's growing power needs have been neglected for years. According to the report of a panel that examined Federal-owned corporations, including NEPA, 18 months ago, said 'only God above can manage NEPA as presently constituted'.

Nigeria's main power sources are the lone hydro-electric power station at Kainji and about three thermal power stations, which produce a total capacity of 2,342 megawatts. Nigeria is reckoned to need five times that figure by the end of the decade.

There is no shortage of long-term programmes in the pipeline, although some may insist that such plans are mere pipe-dreams. Shagari has signed a

bill reviving interest and research in nuclear energy in four Nigerian universities. He has also approved the purchase of equipment for the University of Nigeria, Nsukka in Anambra State to test alternate sources of power energy, especially solar power.

But there is little question that for now Nigeria will have to remain in what one newspaper columnist called 'the dark ages of the 20th Century'. Minister of Mines and Power, Alhaji Mohammed Hassan and NEPA's top managers have warned consumers that 'it is unrealistic to expect uninterrupted power supply in the near future.'

And with little hope of light at the end of the long, dark tunnel, the Federal Electoral Commission is said to be ordering up cartons of candles for election nights.

**"On at least one occasion in the past, a state banquet presided over by Shagari was plunged into darkness. Equally embarrassing to administration officials are reasons given by NEPA officials for the black-outs. In March, managers at the Kainji power station blandly explained that a three-day nationwide power-cut was caused by a rattlesnake. Another cut was blamed on a rat. In the past six months, 'load-shedding', as NEPA calls for power-cuts, has plunged millions of urban Nigerian homes into an average 18 hours of blackout a day".**

CSO: 3400/1576

POLICE INTENSIFY WAR AGAINST 'PARTY THUGS'

Lagos DAILY TIMES in English 24 Jun 83 p 1

[Article by Tony Ikhile]

[Text] The police in Lagos have intensified their war against thuggery with the arrest of 21 people believed to be party thugs.

Lagos State Police Commissioner, Alhaji Mamman Nassarawa, said that the operation was a vigorous campaign aimed at reducing the wave of political thuggery in the state.

In the first 48 hour non-stop operation carried out by detectives from the state C.I.D. which began at Mushin, Oshodi and Isolo areas of Lagos, 21 men suspected to be thugs were arrested.

Seven vehicles, four matchets, four daggers, one axe and several other dangerous weapons were recovered from them.

The Police Commissioner stressed that curbing the wave of political thuggery now was a crucial factor in ensuring a peaceful atmosphere required for a free and fair election which is only 45 days away.

He then warned political party thugs not to allow themselves to be used because they would inevitably face the ruthless and initial brunt of the police action.

The commissioner added that political thugs were in a way worse than armed robbers since the latter rob property while thugs rob the conscience.

Alhaji Nassarawa emphasised that "Operation Sweep" would remain in force until further notice as long as the need for it remains.

The C.I.D. Task Force responsible for the operation, the commissioner warned, would strike at any place, anytime and deal ruthlessly with suspected party thugs or any person connected with them, irrespective of personal status or party affiliation.

The Lagos State Police boss then said that the line between robbery and thuggery has become so thin that it was now difficult to tell one from the other.

He pointed out that they are both united by the use of violence as a means to an end.

He stressed that the real armed robbers have been known to exploit such situations to a sinister advantage.

CSO: 3400/1576

SOVIET-AIDED STEEL MILL OPENS AHEAD OF SCHEDULE

Enugu DAILY STAR in English 29 Jun 83 p 7

[Article by S. J. Ajakpo]

[Excerpt] The Light Section Mill of the Ajaokuta Steel Complex rolled out its first steel products ahead of schedule.

Witnessing the first roll-off, the general Manager of Ajaokuta Steel Company Limited Dr. Fidelis Ezemenari, commended the Nigerian and Soviet specialists, whose hard work and untiring effort led to the successful completion of the first phase of the largest integrated steel plant in black Africa. According to the official data the speed with which the mill was completed was one of the fastest in the world.

The high speed of the construction and excellent performance of the modern Soviet metallurgical equipment threw a mortal blow at the West-inspired scepticism concerning Nigeria's choice of Russian assistance in this important field of the economy.

Why the West is so reluctant and why the Soviets are ready to assist the Third World in building the heavy industry? [as published] Here are the facts behind it.

Western countries are extremely unwilling to build metallurgical enterprises and other heavy industry projects in developing states. In an interview granted to the US NEWS AND WORLD REPORT magazine in February 1982, India's Prime Minister Indira Gandhi noted that initially, when India wanted to strengthen its industrial potential, it applied to the United States. However, the USA answered India that it would not help a government and could help only private person. No one in the West helped India, but the Soviet Union did; it helped India establish the metals industry. Analyzing the problems of building the steel plant in Iskanderun and comparing assistance provided by the Soviet Union and the West, the TURKISH BRIEFING magazine has pointed out that Western aid is directed to such branches as agriculture, papermaking and canneries. As far as a steel plant is concerned, it poses a threat to the markets of Western suppliers and therefore goes beyond the framework of the concept of "aid" which is not aimed at eliminating former dependence. Western countries tried to hamper the

development of Iran's national metallurgy and to prevent Soviet-Nigerian cooperation in this field. Such arguments were put forward as the inadequate amount of national raw materials, the absence of national specialists and the Soviet Union's alleged inability to build large modern metallurgical enterprises. Life has refuted such allegations. Suffice it to say that by the early 80s the Soviet-assisted enterprises accounted for about 35 per cent of cast iron and 20 per cent of steel produced in all developing countries of Asia and Africa.

#### Production

Upon the completion of the construction of all metallurgical enterprises under inter-government agreements their overall annual capacity will reach 27 million tons of cast iron, 26 million tons of steel, about 22 million tons of commercial rolled stock, over 20 million tons of coke, and 32 million tons of sinter. Under the current five-year plan (1981-1985) alone 13 new coke oven batteries are to be put into operation, as well as nine large blast furnaces and steel-making plants which will turn out more than 8 million tons of steel a year.

CSO: 3400/1576

## BRIEFS

NO ARMY ELECTION ROLE--President Shehu Shagari has said that he would not allow the Army to be used in this year's elections. President Shagari told the Sunday NEW NIGERIAN during the week that it was the responsibility of the Police to provide security during the elections. The president however observed that because the Police was short of manpower, he was of the opinion that there would not be enough policemen to man all the polling booths in the country. He explained that it was because of this logistic problem that he suggested counting centres in the forthcoming elections. Section 198 (11) grants the President the power to determine the operational use of the armed forces of the federation. The power is however to be regulated by laws made by the National Assembly as provided for in section 198 (4a). The President expressed optimism that the elections this year would be hitch-free but added that much depended on FEDECO and the co-operation of all the political parties. [Text] [Kaduna NEW NIGERIAN in English 26 Jun 83 p 1]

KADUNA 'MAFIA'--The so-called Kaduna Mafia has been described as a bunch of cowards and feudal lackies, who will stop at nothing to dominate and exploit the "Talakawa." Speaking to our reporter, the NPP Gubernatorial running mate in Kano, Alhaji Mahmud Othman, said as far as he was concerned, Kaduna Mafia existed only as a secret society which employs all clandestine methods to suppress and oppress the common man in this country. In his own observation, Alhaji Mukhtari Kwaru, said that members of Kaduna Mafia were a group of "ungodly elites" who work against the interest of the masses in this country. He pointed out that the idea of Mafia originated from Italy and members of Mafia group, operate as terrorists, and oppressors of the common man. Chief M. C. K. Ajuluchukwu, the UPN Director of Research called members of the Kaduna Mafia bleary-eyed intellectuals who try to grab political power but are not interested in canvassing for votes. He was commenting on the reported plan by the northern intellectuals to woo the UPN which he claimed had been dropped. Also speaking to this reporter, a lecturer with the Bayero University, M. Ibrahim Malazzam, said that while he could not confirm or deny the reality of the existence of the Kaduna Mafia, he was however aware of it. [Lawan Bello] [Text] [Kano SUNDAY TRIUMPH in English 26 Jun 83 p 1]

CSO: 3400/1576

MINISTER OF FINANCE JUSU SHERIFF ON ECONOMY, TWO-TIER SYSTEM

Freetown WE YONE in English 19 Jun 83 pp 2, 7]

[Article by Hon Salia Jusu-Sheriff]

[Text]

A FEW hints about what to expect in the new budget to be presented before Parliament shortly, were given by the Minister of Finance, Mr. Salia Jusu-Sheriff, when he addressed a press conference on the eve of the state opening of Parliament.

The two-hour conference was called to review the state of the economy in the light of the modified exchange arrangements (the two-tier foreign exchange system), introduced last December.

In reply to a question from the press, the Minister disclosed that an upward review of salaries was being seriously considered in view of the rising cost of living.

But he contended very strongly that the increase in the consumer prices of goods was not a result of the two-tier system, but rather unchecked inflation of prices by unscrupulous profiteering businessmen

Mr. Jusu-Sheriff stressed on the need for effective price controls.

Answering the question in relation to the need to review salaries, the Minister who is also Acting Second Vice-President, said.

"In the next Financial year, government is giving serious consideration to an upward adjustment of salaries and wages"

The Minister also hinted at a possible increase in the price of petrol to consumers, because unscrupulous black marketeers have taken advantage of the heavy government subsidy on fuel to make money.

Although crude oil costs this government

about seventy million dollars a year, he went on, and because of the shortage of foreign exchange government has been buying dollars at the commercial rate, yet we are still passing only Le1.25 of that money to the refinery and to the public.

The subsidy is thus Le1.25 per gallon.

Mr. Jusu-Sheriff said that at Le3.40 per gallon, the official pump price in Sierra Leone is the lowest in our sub-region, if not the lowest in the whole of Africa and went on to give figures to substantiate this fact.

Because of the ridiculously low price of our heavily subsidized petrol bought with our



hardly affordable foreign exchange, this petrol is being smuggled over the border.

The subsidy has gone on for too long, probably because of the sensitivity of the problem, he said. [as published]

But if we don't increase petrol prices, the smuggling will continue.

It is better to increase petrol prices and ensure that there is enough petrol for local consumers, he added.

Speaking on the need for effective price control, the Minister said:

Government ought to take the question of price control more seriously and more effectively.

"We did set up a Price Control Board, but perhaps we ought to make it slightly more executive and back it up by a secretariat and let the public itself get involved in price control.

"In other countries you have consumers' associations".

The Minister debunked the propaganda which has been going on in some quarters that the Ministry of Finance is now responsible for price control.

This is absolutely untrue, he asserted.

Before question time, the Minister told the press that the country was already benefitting from the two-tier system.

As regards the economic situation, he said that the problems which the country has been facing will take time to solve, because there are no easy options.

Despite the continuing problems, he went on, the two-tier system has gone very far to achieve some of its objectives.

For instance, between June and November last year, there was virtually no legal export of alluvial diamond.

Things got so bad that the Government Diamond Office had to close down.

But since the modified system was introduced, diamonds have picked up again, the GDO had reopened and diamond sales have reached 35 million dollars, inspite of the drop in the international value of diamonds.

Most of our local industries which had been unable to get raw materials because of shortage of foreign exchange, have now been able to get substantial foreign exchange to reactivate their businesses for instance Aureol Tobacco Company and Sierra Leone Brewery.

Also, he said, farmers have benefited from increase in consumer prices resulting from the commercial market rate, and government is committed to increase producer prices.

On government finances, Mr. Jusu-Sheriff said financial expenditure has been controlled and out of an estimated expenditure of Le191 million for the year, the actual expenditure is 22 million leones less than estimated, although there has been a drop in estimated revenue.

CSO: 3400/1571

JUSU SHERIFF DEFENDS TWO-TIER SYSTEM, CALLS FOR COOPERATION

Freetown DAILY MAIL in English 17 Jun 83 pp 1, 8

[Article by Alhaj S. A. Kabba]

[Text] Before Parliament yesterday unanimously approved the motion of thanks to Acting President S. I. Koroma for the speech from the throne, Acting First Vice President and Minister of Finance, Salia Jusu Sheriff, lashed out vehemently on the criticisms of the two-tier system and the present economic situation.

In an 80-minute speech in Parliament the Minister said: "We are not going to sacrifice reality and public truth at the alter of political popularity."

He called on all Sierra Leoneans to tighten their belts and be prepared to make sacrifices now for our prosperity.

He told MPs that the salvation of the country's economy depends on the people who should be prepared to be sincere, honest and hardworking.

Government, Mr. Sheriff explained, cannot work miracles to get the much-needed foreign exchange.

He appealed for cooperation and understanding among all sectors in the nation for the overall good of Sierra Leone.

In a no-nonsense tone the Finance Minister explained that only through increased agricultural productivity and the concerted efforts of all to beat smugglers, hoarders and profiteers could this nation accrue foreign exchange to meet our needs.

The Minister described Sierra Leone as an import-oriented nation which depends on Japanese and German cars, American rice, Japanese textiles and all for her survival.

But these goods, Mr. Sheriff went on, could only be bought on either the Japanese Yen, the German Deutch Mark, or the American dollar, and not the leone.

Therefore the Minister said Sierra Leoneans must be prepared to sacrifice a little so that we could meet the challenges for our prosperity.

The Minister described the relationship between Sierra Leone and the IMF as "a marriage of necessity, convenience and respect."

"We have got our own problems which could not be solved by the IMF as we must depend on ourselves."

"No amount of complaining will do us any good as we must be prepared to produce more and acquire foreign exchange," he added.

In reply to criticisms on the two-tier system, the Finance Minister explained that it only recognises an existing situation.

On the price control system he commended the Minister of State, Mines Mr. John Kamanda who informed MPs on the indiscriminate price increases despite official prices, as published in the gazette. [as published]

"Food items carry no custom duty, but regrettably their prices continue to increase today reflecting duty and more."

On agriculture, Finance Minister, Jusu Sheriff, reechoed the appeal of Agriculture Minister for private companies to help the country to produce more.

He called on MPs to organise farms in their constituencies and promised that they would receive full government support "subject of course to our inspection."

CSO: 3400/1572

RELATIONS WITH IRAN DISCUSSED

Call for Expanded Relations

Freetown DAILY MAIL in English 20 May 83 pp 1, 8

[Text] The first Iranian Ambassador to Sierra Leone, Mr. Behrooz Ssedghi, has called for the relations between Iran and Sierra Leone to be expanded in all fields to the mutual benefit of both states.

In an address at State House yesterday when he presented his credentials to President Siaka Stevens, Mr Ssedghi said that steps have been taken in recent months to consolidate the solidarity and development of the two countries' national interests.

He hoped that the political, economic and cultural relations existing between the two countries would be strengthened in other fields.

The Ambassador told the President that his country's foreign policy is based on peaceful co-existence and mutual respect towards all countries which agree to its declared foreign policy.

Mr. Ssedghi said that his country had always condemned policies of racial discrimination as well as various plots of the South African regime.

Iran, he said, has common views with African countries in decolonization and liberation of the continent.

He expressed his country's wish for a strong Organisation of African Unity that could act as a deterrent to external interference and exploitation.

President Siaka Stevens said in reply that the two republics share several aspirations. As members of the Non-Aligned Movement, they continue to work assiduously for the advancement of the peoples of the Third World.

"It is our belief that world peace could only be attained when the less fortunate of our people share equally in the fruits of development," Dr. Stevens said.

As a third world country, he said, Sierra Leone understands the objectives of the Iranian government and people.

He wished the government every success in its efforts to build a new Iran based on justice, peace and equality.

Referring to the Iran-Iraq war, Dr. Stevens recalled the efforts made at the Non-Aligned Summit in New Delhi, India last March to bring this unfortunate war to an early end and reiterated the appeal made at that meeting for both parties in the conflict to do everything possible to end this unhappy chapter in the history of the relations of two sister states.

Mr. Ssedghi, 25, is married and will be resident in Freetown.

He was accompanied to the State House by the first Secretary in the Embassy, Mr. Mohammadi and the Third Secretary, Mr. B. Irzadi.

The ceremony was attended by first Vice-President S. I. Koroma, the Acting Second Vice-President, Mr. A. B. Kamara, the Foreign Minister, Dr. Abdulai Conteh, Cabinet Ministers, the Secretary to the President, Mr. Abdul Karim and top civil servants.

#### Cooperation Pact Signed

Freetown DAILY MAIL in English 18 May 83 pp 1, 8

[Text] Iran and Sierra Leone have signed a Memorandum of understanding on economic, political and cultural co-operation, the Minister of Foreign Affairs, Dr Abdulai Conteh, told a press conference yesterday.

The Minister said that the agreement was signed by him and his counterpart in Teheran and the two sides agreed on co-operation in the issue of petroleum. It was likely that Iran would send experts to Sierra Leone to help with off-shore oil exploration, he said. Answering questions, Dr. Conteh confirmed that the closure of six diplomatic missions abroad--West Germany, Egypt, France, Italy, Ghana and Cuba--was an economic measure to streamline the country's overseas representation.

CSO: 3400/1572

BRIEFS

PRESIDENT BLAMES OIL COMPANIES--President Siaka Stevens has now blamed some of the oil companies for the deteriorating oil situation in the country. He said the negative attitude of some of the oil companies was thwarting government's effort in ensuring equitable nation-wide supply of fuel. In an opening speech at the Bo Town I maiden convention at the weekend, the President said that petrol being an essential commodity and lifeblood of the country must be handled with all the seriousness it deserved. He reiterated that those who tamper with the nation's fuel for personal gains were facing the risk of detention under emergency powers. Dr. Stevens urged law enforcement officers and the courts to impose deterrent penalties against those caught in petrol offences. The President called on women of the Bo Town I Constituency to set up cooperative societies which would give day-to-day incentives to their political activities. He advised the people that embarking on agricultural programmes even on a small scale, was one of the ways through which they could be sure of continuous dividends. He pointed out that with limited government job opportunities, it was essential that youths be fully involved in agricultural projects to ensure a steady income. [Excerpt] [Freetown DAILY MAIL in English 16 May 83 pp 1, 8]

FRG STEPS UP MAIL--The West German government is to grant Sierra Leone 23 million Deutch Marks in bilateral assistance this year. More than half of the grant will finance the second phase of the Bo Pujehun Rural Development Project administered by the West German technical aid agency. A five-man delegation is on an official visit for negotiations on the projects to benefit from the grant. The team led by Mr. Neufeldt, paid a courtesy call on President Siaka Stevens last Friday at State House. Dr. Stevens thanked the West German government for its continued help to Sierra Leone especially during such a difficult economic period. The acting first Vice-President and Minister of Finance, Mr. Salia Jusu-Sheriff, during discussions with the team called for a redirection of aid to the private sector particularly to farmers. Mr. Jusu-Sheriff said that most of the aid allocation to Sierra Leone has been for the development of infrastructure and social services. He spoke of the problem facing the Road Transport Corporation, (its buses were acquired through a soft-loan from West Germany) lack of foreign exchange to buy spare parts, and pointed out there was a need to strengthen management support, especially financial control. Mr. Neufeldt said in reply that starting from this year, West German financial

assistance to Sierra Leone, will be in the form of grants. The team was accompanied to the Acting first Vice-President by the West German Ambassador, Mr. Christian Nakonz. [Text] [Freetown DAILY MAIL in English 30 May 83 pp 1, 8]

PLEA FOR AGRICULTURE--Acting Second Vice President and Minister of Agriculture and Forestry Dr. Abass Bundu has called on private companies in this country to either move into agriculture or subsidise it effectively. Dr. Bundu told Parliament yesterday that his experience in the Ministry of Agriculture is two fold to intensify the support to the small farmers and to encourage the commercial sector to go into agriculture. He blamed the private companies for paying lip service to agriculture without doing anything to increase this country's agricultural productivity. [Text] [Freetown DAILY MAIL in English 15 Jun 83 pp 1, 8]

BREWO MOTORS ABLAZE--Two weeks after reporting a loss of Le225,000 in its trading operations for the year, Brewo Motors suffered another serious loss in a mystery blaze which gutted the main share of the company's two-storey building at Kennedy Street last Sunday afternoon. The fire which raged for some six hours before eventually being brought under control, started at about 4.30 p.m., under a downpour of rain. Apart from damage to the building, properties destroyed in the blaze included radios, tape-recorders, amplifiers and other sound equipment, typewriters, video sets, air conditioners and calculating machines. According to eyewitness reports, the fire started from the back of the compound facing Ross Road, and seriously threatened the nearby petrol filling station. Volunteers and officials of the company who were summoned to the scene, joined firemen in the battle to prevent the conflagration from spreading. Last Monday, insurance company officials were busy valuating the cost of the damage which is estimated at more than half a million leones. It was at the recent annual general meeting of share-holders of the company held at the Paramount Hotel, that the Le225,000 trading loss was reported. [Text] [Freetown WE YONE in English 19 Jun 83 p 1]

MONEY DISAPPEARS MYSTERIOUSLY--Customers who paid their electricity bills between last Friday and Monday will be shocked to learn that the money has mysteriously disappeared. The amount involved is reported to be more than Le26,000 out of which Le11,995.57 was raw cash and Le14,183.04 was in cheques. Late Monday morning, all the monies and cheques received on Friday, Saturday and part of that day, were collected, checked, packed in a box and entered in the bank payment book. A senior cashier Prince Thomas, was asked to take the money to the bank, accompanied by a security officer, Derrick Owen. They had only a few hundred yards to go to Barclays Bank. But a few minutes later, both men were back at Electricity House to report that the money had disappeared. CID men were immediately called in and both men were whisked off to the CID headquarters where they were detained. The acting Accountant, Mr. Emile Clay, has made a statement to the police. According to reports, the security officer explained that when they got to the bank, he left the cashier with the money and went to the toilet. On his return, he was surprised to hear from Mr. Thomas that the box containing the money had been snatched from him. [Text] [Freetown WE YONE in English 29 Jun 83 pp 1, 2]



## GERMAN REPORT CLAIMS ANGLO SET TO QUIT SA

Kimberley DIAMOND FIELDS ADVERTISER in English 17 Jun 83 p 17

[Text] DURBAN — An influential German academic institute claims the giant Anglo American Corporation is gradually shifting its base of operations out of South Africa as a hedge against this country's political instability.

Anglo's headquarters will probably move out of South Africa during the late Eighties as the corporation's policy of de-emphasising its holdings in South Africa continues, according to the institute.

The German report was published in the respected Internationales Afrikaforum (No 4 of 1982) which is distributed by the European Institute for Political, Labour and Social Issues, based in Munich.

Internationales Afrikaforum is highly thought of in international financial circles — and the report on Anglo American has raised eyebrows in South African business circles.

Anglo's public liaison chief, Mr Ivor Saunder, this week denied that the corporation was embarked on a process of moving its strength out of the country.

He said the report was based on a 'misreading' of the finances and activities of an Anglo affiliate, Minorco, which the corporation decided should be registered in Bermuda.

However, the institute says Minorco has become

the channel for a huge process of channelling Anglo money out of South Africa, mainly into North America.

The institute's report details the complex series of moves which have taken place within the Anglo umbrella of companies over the last few years, which have set up Minorco as one of the most powerful international operatives.

This has also given Anglo a well-funded instrument for making its breakthrough into the North American market.

The institute says Anglo invested massively overseas in the late Seventies and early Eighties, and this step 'should be seen as a sign of what Anglo thinks of the political future of South Africa.'

There were clear indications that Anglo and De Beers capital would be channeled out of South Africa to North America in the years to come, which boils down to a 'quiet liquidation of the group's capital in South Africa.'

Anglo, says the report, will maintain its empire in South Africa, but it is 'certain' that future investment will take place in America, not South Africa.

Detailing the establishment and activities of Minorco, the report says Anglo and De Beers trans-

ferred their shares in the largest gold mining company in South Africa (Consolidated Gold Fields) to Minorco in early 1981.

This was the first step in the strategic movement of the Anglo headquarters, which is responsible for the supply of minerals to other countries.

Minorco also became responsible for all the group's mining interests outside South Africa and Namibia.

In this way the door was opened for Anglo to finance its expansion overseas, says the report.

Mr Saunder said the institute had 'misread and misunderstood' Minorco.

It had been started with funds received from the Zambian Government in compensation for Anglo mining holdings in Zambia.

'They asked us where we wanted the money, and we said in Bermuda, so Minorco was started there.'

Minorco became the group's vehicle for its overseas holdings, he said.

Mr Saunder said Anglo had never taken money out of South Africa for investment abroad. The group had 'substantial sources of income, there anyway.'

'We are inescapably and eternally a South African company,' he said.

ISRAELI LINKS WITH SA SEEN THREATENING GLOBAL IMAGE

East London DAILY DISPATCH in English 25 Jun 83 p 3

[Article by Stanley Uys: "The Israel Connection"]

[Text]

The relationship between South Africa and Israel has become the subject of increasingly agitated comment by political and academic commentators in the West.

Now an Israeli academic, Naomi Chazan, senior research fellow at the Hebrew University of Jerusalem, has produced a blockbuster of a study in African Affairs, journal of the Royal African Society. It runs to 36 pages.

Claiming that Israelis are currently engaged in a reassessment of the "nature of their party" Naomi Chazan comes to this conclusion: "If there are very few ethical or pragmatic reasons for prolonging Israel's association with South Africa, it might be possible to place this at the forefront of the agenda of topics for reconsideration.

"Israel has very little to lose by reversing its South African policy. Such a shift might go a long way towards helping Israel redefine its self-image in-

ternally and internationally. Israel's South African connection is morally, Jewishly and instrumentally indefensible."

Chazan isolates three of the elements of Israel's "dilemma" over South Africa. These are:

First, the overt gains from the South African connection do not necessarily help Israel in the plight of its international isolation. If anything, this tie might now have become a barrier to Israel's efforts to regain its standing in the international community.

This is particularly true of Israel's standing in black Africa. Many African leaders are reluctant to re-establish diplomatic relations with Israel because of its "strategic collaboration with apartheid South Africa."

Second, Israelis have yet to resolve the gap between their aversion to apartheid and their connection with South Africa.

Chazan quotes another writer as asking: "How does one reconcile the anti-semitism of some members of the South African Government and Israel's relations with that government? ... can morality withstand the logic of an expediency born out of Israel's need to survive?"

Third, there is the effect of Israeli policy towards South Africa on the nature and development of an Israeli ethos.

"This subject," declares Chazan, "mirrors in a nutshell the contradictions between Israeli society's egalitarianism and its discrimination, its tolerance and its exclusivity, its universalism and its parochialism, its democracy and its authoritarianism, its militarism and its deep-seated commitment to peace, its ideals and its realities.

"At this historical confluence, the South African link unnecessarily complicates the choices facing Israel

in the years to come, and delays the weighty task of formulation of the new synthesis."

Chazan examines the whole range of the Israeli-South African relationship — what she calls "the intricate web of interactions on a variety of levels." The relationship, she declares, has been established not only rapidly, but also demonstratively.

"In effect, Israel has appeared to relinquish the cause of liberation in Southern Africa at precisely the same time as an international consensus has coalesced on the obsolescence of white domination in that area."

According to Chazan, an enormous gulf exists between Israel's declared position against apartheid and the continuation of ties with South Africa. The South African connection, too, has harmed Israel in "a multiplicity of ways." For example, the Soviet bloc and the Arab world have pounced on the

alliance as further evidence of Israeli imperialism.

In the United States criticism has come from officials and from American Jews, and black-Jewish relationships have been marred. The alliance has strengthened the hand, too, of those who claim there is a Tel-Aviv-Pretoria-Taipei axis.

"Israel policymakers are now confronting the need to balance the benefits accruing from the South African link against the palpable harm to Israel's global standing and credibility that it has unleashed."

Chazan puts forward the view that Israel's South African connection "has been maintained by a bewildering admixture of emotion, lack of knowledge, external machination, narrow interests, and inertia."

It would not be too far-fetched to suggest, she says, that the time might be ripe for a thorough revision of Israel's policies in Southern Africa.

Chazan pinpoints 1973 as the turning point in Israeli-South

African relations. The key events were the Yom Kippur war which shattered Israeli equanimity, the Arab oil embargo which altered the relationships between Israel and the West, creating a breach in what had been the backbone of Israel's international support system, and the severance of diplomatic relations with Israel by all except four African states.

Among the reasons which Chazan lists for Israel's decision to establish relations with South Africa was an interest in the well-being of South Africa's Jewish population. But, she declares, even if the link provides South African Jews with a short-term security blanket, the long-term effects are debatable.

Chazan says Israeli-South African economic links have mushroomed during the past decade and trade has become the first component of this new economic alliance, with three items accounting for the bulk of the trade — steel, raw diamonds, and coal. Israel in turn, exports finished goods like agricultural machinery, textiles

and electrical goods to South Africa, plus sophisticated electronic equipment and diamond-cutting machinery.

South African exports to Israel in the past decade expanded from 10.2 million dollars in 1970 to 151.1 million dollars in 1979, whereas Israeli exports to South Africa expanded only from 10.7 million dollars to 48.2 million dollars.

The second and lesser-known facet of Israeli-South African economic exchange, says Chazan, consists of mutual investments and joint ventures. She cites Iskoor (a joint venture between Iscor and Koor Industries for the distribution of steel in Israel. South African investors, too, "have poured money into a variety of ventures in Israel."

Perhaps the most interesting aspect of the Israeli-South African link, Chazan says, is the military-strategic one. There have been arms transfers, which Chazan specifies, although she suggests they are on a small scale and that it is not clear whether they continued after the UN Security Council imposed an arms

embargo against South Africa in 1977.

Another aspect of the military connection is in the area of counterinsurgency and joint training ventures.

"The third, and unquestionably the most delicate and problematic field of Israeli-South African military co-operation, is the nuclear one," says Chazan. After discussing this nuclear connection in some detail, Chazan declares, it is not clear what benefit Israel hopes to derive from the connection.

In conclusion, Chazan suggests that the importance of the Israeli-South African connection has been magnified out of all proportion, considering South Africa's links with Western powers, but this, she declares, does not in any way absolve Israel from responsibility for the connection.

Chazan argues that it is not in Israel's interest to continue the South African connection. "In short," she says, "from a rational viewpoint, this attachment simply does not make very much sense."

## CHANGING FACE OF INDUSTRIAL RELATIONS TRACED

Braamfontein IIR INFORMATION SHEET in English Mar 83 pp 1-5

[Editorial]

[Text]

The mining industry has always occupied a central place in South African industrial relations, but one of paradoxes. It was events in this sector that gave birth to the industrial council system - yet the industry has no such body. Mining was the genesis of labour relations in the country - yet it has one of the least developed bargaining systems as regards Black workers. Last year witnessed events that are likely to be as significant for industrial relations in the sector as the 1922 Rand Rebellion. It is difficult to imagine the wheels that have been set in motion over the past 8 months being stopped, and it is perhaps one of the safer prophecies in the field to state that despite intransigence in some quarters, an irrevocable change process is underway. This editorial supplements that of June 1982 "crisis in the Mining Industry" by seeking to update readers on the changing alliances amongst traditional unions, the stance adopted by employers, and the nature of some of the emergent Black unions as they have developed in recent months.

Traditional Parties to Negotiations in the Industry

Traditionally the Chamber of Mines has, on an annual basis, negotiated wages and conditions of service separately with the CMU and each of the three officials associations. Black mineworkers had no trade union representation or bargaining forum. 1982 saw a dispute between the Chamber and the CMU continue almost to the point of strike action by the unions before a 12% increase was agreed on. In addition the MSA declared a wage dispute and threatened the Chamber with legal action on the Black advancement issue, and an estimated 70 000 Black miners were involved in violent unrest over wages in the industry. This latter incident resulted in police intervention, and ten miners killed in what Baskin (1982) described as "the largest scale labour action to hit the mining industry since 1946".

The sequel to these events has been dramatic to say the least. Firstly a new alliance of unions, the Confederation of Mining Associations and Unions (CAMU) was formed, comprising the old CMU and two of the officials associations. The Underground Officials Association has not yet joined the body, and its general secretary has expressed fears that it might be bound unwillingly by confederation decisions when some of its members are not "colour blind". Hopes that this new body would be instrumental in the formation of an industrial council in the industry received an early setback however, when it turned down an application to join by the new Black union FMECUE. Arrie Paulus, chairman of CAMU stated that this action did not mean that other unions with Black and Coloured membership would be automatically turned down and that each case would be treated on its merits. These assurances had something of an empty ring however, when he was also reported to have replied that his conservative views would not change "are little bit", to a question as to his feelings about chairing a multiracial group.

During this time significant steps were being taken by the Chamber. Representatives from various mining houses commented on negotiations with traditional trade unions to remove job reservation in the industry to the effect that only slow progress was being made and that this was due to "established attitudes and customs" of White unionists.

On their part employers stated that removal of job discrimination in the industry was a priority, and stated beliefs in the importance of a sound collective bargaining system wherein all unions concerned, regardless of race, would be represented at the bargaining table. Backing these statements with action the Chamber of Mines granted access to its mines for recruitment purposes to Black trade unions from September 1982. In December, contrary to an earlier stance, it stated it would recognise representative unions even if unregistered, and confirmed a willingness to bargain on issues of pay and conditions of work with Black trade union on any mine where they represent a significant number of workers in any job category.

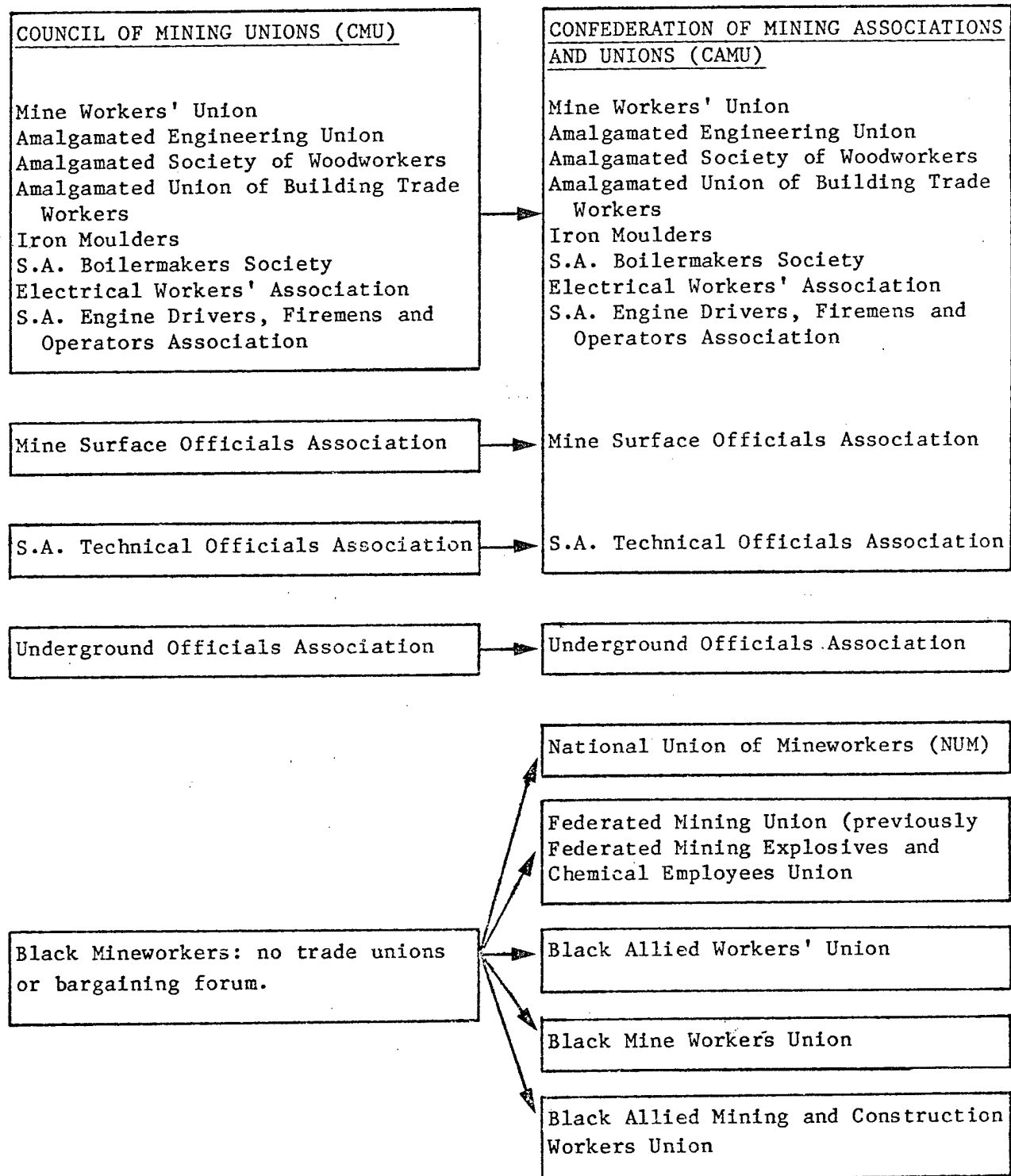
### Emergent Trade Unions

By December 1982 five Black trade unions were recruiting on the mines (see Figure 1). Of these two are of significance at this time - the CUSA affiliated National Union of Mineworkers, and the FMU (previously the FMECEU).

### The National Union of Mineworkers

According to Cyril Ramaphosa, general secretary of the NUM, the concept of the union germinated during 1980 and 1981 when Black miners approached CUSA with the request to organise workers in the industry. In July 1982 a resolution was passed by CUSA mandating its secretariat to launch a union for Black mineworkers, and the NUM was officially started at Hammanskraal the following month. It held its first annual congress in Klerksdorp in December 1982, attended by 1 800 mineworkers from 13 mines in the Orange

Figure 1: The Changing Face of Unions and Their Affiliation in the Mining Industry



Free State and Transvaal. By February 1983 it was claiming a membership of 18 000, with a target of 50 000 by the end of the year. Ramaphosa believes the union could attain a size of 100 000.

The aims of the union are to recruit and unite into a single organisation all workers employed in the mining industry in order to improve their social and economic welfare, and to improve wages and working conditions as well as the social benefits of its members. Registration is opposed as a government means of controlling unions and their development, and industrial councils are perceived as too bureaucratic to serve the interests of Black workers in the industry. The NUM sees any industrial council in mining as likely to be dominated by Whites "who would seek to frustrate the interests of Black members". Likewise the new confederation - CAMU - is rejected as a "White racist collective bargaining front which is seeking to frustrate the interests of Black workers". This view no doubt received some reinforcement upon CAMU's rejection of FMECEU's application to become a member. The NUM would like to see bargaining at two levels - at an industry wide level for wages and conditions of service, and mine management level as regards disciplinary, grievance and retrenchment procedures.

To date the NUM has applied for recognition and rights at Western Holdings Welkom Division, Elandsrand Mine, President Brand Mine, Saaiplaas Mine, and is preparing to apply at Kloof and Vaal Reefs West Mines. While nothing has as yet been finalised on these mines, it is widely expected that the union will have bargaining rights by the time wages come under review at mid-year.

The NUM directing its recruiting and organising activities mainly at Chamber affiliated mines, is looking largely at a population of contract workers which is likely to give rise to all the problems of a revolving membership, and of course, make it difficult to organise or exert power consistently.

The Federated Mining Union (previously the Federated Mining Explosives and Chemical Employees Union)

As far back as 1951, S.A. Boilermakers Society was negotiating wages and conditions of service on behalf of Coloured employees in the diamond industry. About eight years ago, however, de Beers questioned its right to do so, and SABS then sought an official extension of scope to enable it to continue the practice. Its efforts continued unsuccessfully over a period of 4 years with obstacles being thrown up by White unions in the industry who objected to the application.

At this point it was decided by SABS to initiate a separate union for Coloured employees to facilitate negotiations on their behalf, and in 1977 the Federated Mining, Explosives and Chemical Employees Union was launched. The intention was that this union eventually amalgamate with SABS, but as no provision existed in the Labour Relations Act for such a merger the two bodies have remained separate, despite sharing a general secretary and administrative personnel and premises.

The Council of Mining Unions officially comprised two smaller federations: the Federation of Mine Production Workers (FMPW) comprising MWU and SAEDOA, and the Federation of Mining Unions (FMU) comprising the other six unions. About a month before the CMU was replaced by CAMU, the FMU accepted FMECEU as a member and as such it officially became a member of the CMU, despite objections by members of the other federation. This situation is thought to be one of the precipitators for the establishment of CAMU - a confederation joined by unions on an individual as opposed to a federation basis, and on which voting power is dependent on size of membership. When CAMU was established, the FMECEU immediately applied for membership and indeed the majority of unions voted in favour of this. However, the membership size of the MSOA, the MWU and SAEDOA who voted against its admission was sufficient to see its application fail.

At this point it is believed that MSOA and SAEDOA would lend support to the admission of FMECEU, but in view of recent events it is unlikely that it would wish to join.

General Secretary, 'Ike' van der Watt, advises that unlike the NUM, his union has directed its activities around mines which are not affiliated to the Chamber and where employees are more stable. Early recruiting and organising centred in diamond mining and moved to platinum, the union representing a significant majority of non-white employees in both at this stage. Since then recruiting has started in a small way on the collieries with gold mining activities being still in their infancy. To date the union has established bargaining rights with the Chamber, in respect of vehicle drivers on Anglo Vaal's Hartebeesfontein Mine, and painters and handymen on Anglo American's Vaal Reef Mine.

A month ago the union officially changed its name to the Federated Mining Union (FMU). While it officially gives its membership figure to be about 6 000, some sources estimate that it could exceed 10 000.

The FMU is registered and while in favour of a common union bargaining forum has indicated some hesitance about the formation of an industrial council in the industry at this stage. Its membership is non-racial.

While no official coalition exists amongst unions representing Black mines at this time, it is known that FMU and NUM co-operate on an informal basis, especially where decisions are taken which might affect members of the other organisation.

#### The New Bargaining Picture

The Chamber of Mines has not only refused to bargain with the new CAMU, but has exerted pressure on the officials associations to withdraw from the body for negotiations in 1983. According to these associations' constitutions, they may organise employees which the Chamber designates "officials" - the threat was simply that this designation be changed, which would take away the very core of the associations' structure.



So, in 1983 the Chamber will be negotiating with the old CMU, the three officials associations, and whichever Black trade unions have negotiating rights by June/July. However, from 1984 the new Confederation will be recognised as an official bargaining party.

At this point the CMU has demanded a wage increase of 13,5%, but with other demands the total is believed to be more in the region of 22%. The Chamber has made it clear that it regards these demands as unrealistic in the light of the overall economic climate, and a protracted dispute in a similar vein to 1982's bargaining is on the cards. Over and above this, while the Chamber is negotiating separately with the associations, the MSOA and SATOA are known to be working in much closer co-operation with the CMU than in past years, and their demands are likely to be in line with that body's. A division of the unions and the two associations is very likely to be only one in name.

The UOA represents something of an unknown quantity at this stage, having taken no definite stance in the changing scenario, apart from an early reluctance to join CAMU.

As already discussed, the emergent Black unions in the industry are quite likely to be sufficiently representative to be involved in mid-year negotiations regarding conditions for Black workers on some mines. Even should this only be on behalf of a minority at this stage, the effects of any agreements reached are quite likely to be felt industry wide.

CAMU was widely regarded as a precursor to establishing an industrial council in the mining industrial. However, its handling of FMU's application, and NUM's attitude to such a body do not lend much hope for such a development in the near future. 'Ike' van der Watt has indicated that while there is recognition of the need for a common bargaining forum, an industrial council might not be the ideal at this stage. Black unions are too young to participate meaningfully in the establishment of an industrial council at this point, and if they can't participate meaningfully it is unlikely to work. The immediate goal then appears to be the creation of an informal common bargaining platform moving in the future to a modified industrial council system. Bearing in mind the complexities of the current situation, and acrimonious nature of industrial relations in mining over the year, neither of these goals is likely to be easily achieved.

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CSO: 3400/1573

CISKEI TO PRODUCE ARMS AT DIMBAZA

East London DAILY DISPATCH in English 23 Jun 83 p 1

[Text]

BISHO — President Lennox Sebe yesterday announced the formation of Ciskei Armaments Corporation (Ciskor) to manufacture arms and ammunition at Dimbaza.

He said some of the hardware would be exported to other countries.

President Sebe told the Assembly that this had been kept a top secret to the extent that the South African Ambassador in Ciskei who was in the Assembly when the announcement was made would be surprised.

The formation of the corporation was through negotiations Ciskei had during visits to Israel and Germany.

He said the corporation would be opening its first factory at Dimbaza at the end of the month. Ten to 20 Ciskeian labourers would be required at the end of the month to help with the cleaning up and landscaping of the area around the factory and also to help with the in-

stallation of sophisticated machinery that would be arriving in Ciskei shortly.

Thereafter Ciskeian machine operators would be trained within the factory and it was envisaged that the Ciskei Armaments Corporation would be employing between 100 and 120 people together with five labourers.

"It is the intention of Ciskor to establish and create a new industry and it can be considered as a forward step in the development of the Ciskeian nation."

Asked if Ciskei intended applying to Armscor for permission to transport the arms through South Africa when exporting, he said that was covered in the confederal agreement Ciskei signed with South Africa when accepting independence.

The Vice-President, the Rev W. M. Xaba, said in an interview that rifles and revolvers of high quality and bullets of different categories would be manufactured.

— DDR.

CSO: 3400/1578

EDITORIAL SCORES KAIZER MATANZIMA, HOMELAND LEADERS

Johannesburg SOWETAN in English 15 Jul 83 p 6

[Editorial]

[Text] **WHEN POLITICIANS** and others of similar persuasions use rhetoric they have their eyes mainly on propaganda or stirring public opinion their way. Often the same people are caught in the trap of their public and private utterances especially when they tend to contradict themselves.

President Kaiser Matanzima has shown himself such a person in his dramatic switch from a stance that has not been that steadfast at the best of times. Like most homeland leaders of the so-called independent ilk, he has been on an egg dance of submission and counter submissions that has finally become almost ridiculous.

He was among the six homeland leaders who the other day signed a declaration of intent towards the working for the establishment of a greater South Africa. His co-signatories were Chief Gatsha Buthelezi of KwaZulu, Dr Cedric Phatudi of Lebowa, Professor Hudson Ntsanwisi of Gazankulu, Mr Kenneth Mopeli of QwaQwa and Mr Enos Mabuza of KaNgwane.

In a low profile conference held by the six leaders they committed themselves to work for the "re-unification of those who apartheid divides" and for a "greater South Africa based on non-racialism and democracy".

President Matanzima must not forget that when Transkei became independent an Act which was passed somewhat surreptitiously between him and South Africa, made all people of Xhosa origin aliens in South Africa, and nationals of the Transkei by the stroke of a pen. This monumental piece of betrayal of South Africans was spotted only after Transkei got its so-called independence, and reactions of seeming surprise from that government were hollow after their complicity of drafting the Act was revealed.

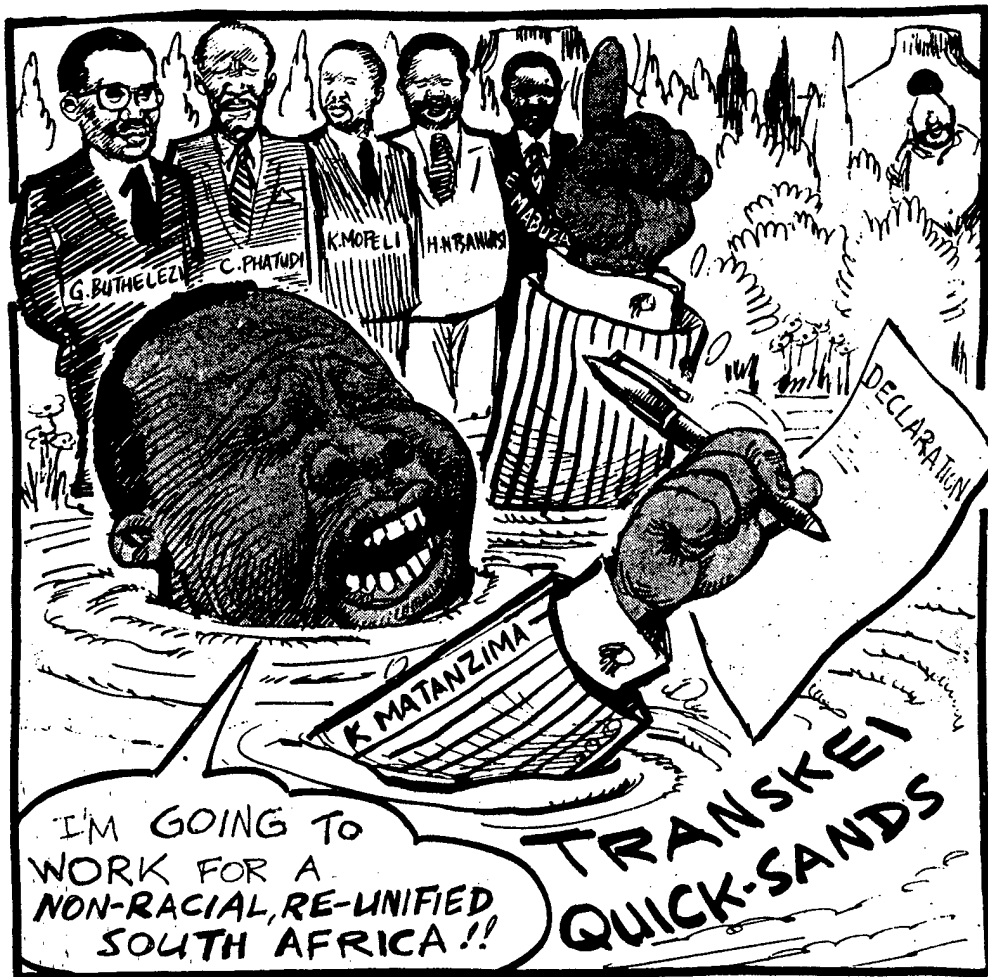
The damage has been done, if President Matanzima must know the truth, and scores of thousands have been made nationals of the Transkei and later of the Ciskei when that little enclave of Xhosas followed suit. It is rather late in the day, we believe, for these leaders who went independent to tumble to this sellout.

But Transkei went even further than that. In 1977 a law was passed the Public Security Act, which made it a treasonable offence to advocate that the Transkei form a part of another country. The Act has been a crucial factor in the demise of Transkei opposition parties that opposed independence.

The Transkei government is now hoist with its own petard. By going independent — a sham kind of man-

ouvre in the first place — they decidedly cut themselves off from the mainland. In the meantime they are tied by all sorts of ways to South Africa and being partners to the present declaration is not only silly but sounds hollow.

We are afraid that the low profile conference by these leaders will not come to much. The intention is to fight the Government's new constitutional plans and hope to bring about unity among themselves and hopefully others. But they are compromised no end by their very status, by their economic dependence on South Africa, and by the kind of equivocation shown by people like President Kaiser Matanzima.



# LENNOX SEBE STRIPS HIS BROTHER'S POWERS

Johannesburg THE CITIZEN in English 18 Jul 83 p 4

[Text]

ZWELITSHA. — The Commander-in-Chief of the security forces in Ciskei, Lt General Charles Sebe, has been stripped of many of his powers by his brother, President Lennox Sebe.

Pres Sebe announced this at a Press conference at Zwelitsha at the weekend.

Gen Sebe's powers were such that he could authorise the detention of anybody in Ciskei.

Pres Sebe said his brother would head a new "national intelligence service and that the department of state security had been fundamentally restructured to bring it into line with international practice.

Gen Sebe had not, however, been demoted, and he retained his rank as head of NIS.

"The police force, traffic and security divisions will be under the jurisdiction of the minister of justice, while the defence force, the special force and air force will be under the newly-created ministry of defence.

"The name of the new minister will be announced shortly," said

Pres Sebe.

Ciskei's existing central intelligence services would come under the defence ministry and would in future be known as Ciskei National Intelligence Service.

"Until the structure has been finalised, all men attached to the CCIS with the exception of Lt Gen Charles Sebe, will be under the command of Colonel Z Makuzeni, who falls under the minister of police.

"The new national intelligence service headed by Gen Sebe will collect information, including clandestine information, and will process such information for the Ciskei state security."

Pres Sebe said the NIS would be assisted by Ikrele (sword of the nation) on a special mission. Gen Sebe would start the NIS with specially selected men from the ranks of the existing services.

The special force would be a covert force to assist the police and Ikrele would be an anti-terrorist squad.

that the police officer who was second in charge of the CCIS, Brig M Tamsanqa, and three other senior officers, had been detained under Ciskeian security laws and suspended.

"If you have to act like that it must be an unusual situation," he said.

The recent shooting of the Ciskei Foreign Affairs Minister, Mr B N Pikyi, had nothing to do with the restructuring of the combined forces, Pres Sebe said.

He linked the shooting with terrorist activities.

Pres Sebe said the police had obtained positive information that terrorists were operating from Mdantsane from a man arrested in Alice "who was a courier for the terrorists".

The President said the man had been handed to the South African security police for questioning. The man had pointed out places where explosives were found.

"Security is as good as the political decision-makers are," he said.

As the study points out, this seems to show again that unions' rhetoric is not a good guide to their "militancy".

A further key finding is that the metal industries are by far the most strike-prone, followed by food and motor.

The study finds that metal has only occupied this position for the past 18 months,

food having been most strike-prone for years.

Metal employers would no doubt deny that this reflects the success or failure of their refusal to bargain with unions at plant level.

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BOLAND BANK CHAIRMAN SAYS GDP TO DROP BY ABOUT 2 PERCENT IN 1983

Johannesburg THE STAR in English 28 Jun 83 p 20M

[Article by Duncan Collings]

[Text]

South Africa's real gross domestic product is expected to drop by about two percent this year, says Mr P B B Hugo, chairman of Boland Bank.

Reviewing the economy in the annual report, he says it is expected that the lower turning point in the business cycle will not be reached before the end of this year and that the initial stages of the recovery will be very slow.

In the bank's financial year to end-March 1984, he sees the economies of some of South Africa's main trading partners showing signs of a slight recovery, leading to an increase in South Africa exports.

The gold price will remain uncertain and it is expected to move sideways. The inflation rate will decelerate but still remain above 12 percent.

Fixed investment expenditure on durables and semi-durables, and the demand for credit, will remain low until the end of the calendar year. Interest rates will fluctuate, but with no appreciable increase before 1984. The drought will seriously curtail farm exports.

Unemployment among semi-skilled and unskilled workers will rise and the authorities will continue their stringent monetary policy until the fourth quarter of this year.

Stimulation of the economy — if any — is expected to be selective, with priority for creation of new jobs and the decentralisation of industry.

Mr Hugo does not expect the rate of personal savings (4,5 percent of disposable income in 1982) to increase until "the ghost of inflation has been laid".

Referring to the bank, he says that it will hold its own in its banking facilities and, with a positive contribution from other services, a modest increase in profits can be achieved.

In the year to March 31 profit after tax and transfer to internal reserves rose to R6,1 million from R5,1 million the previous year.

Earnings a share were 91,8c (79,3c), from which dividends totalling 31c (28c) were declared. Total assets increased to R797,3 million (R657,2 million).

The needs which have been identified and the versatility of the computer have led to the decision by the bank to introduce a comprehensive range of new electronic services during the present financial year.

Referring to changes in the banking environment, Mr Hugo says the private sector is asking for a free market orientated economy with less Government intervention.

Such an economy is emerging and the private sector will have to prepare itself now to operate effectively in this new milieu.

"A free market economy is certainly not a social programme in which the weakling is protected or the inefficient supported.

"Such an economy creates manifold opportunities for initiative and growth, but at the same time it is a merciless regulator of the economic environment," he says.

"Banking in South Africa has indeed entered a new era in which flexibility will be the watchword. Changes in rapid succession make planning more difficult in the longer term."



REPORTAGE ON MEDIA FREEDOM SEMINAR

Johannesburg THE CITIZEN in English 15 Jul 83 p 10

[Text]

**ANY attempt to prevent the Press from full access and the right to publish every speech made in Parliament would be tantamount to closing down Parliament itself, the PFP spokesman on Press matters, Dr Alex Boraine, said in Pretoria yesterday.**

Speaking at a seminar on the freedom of the South African media, he also said any attempts to muzzle Parliamentarians would be a further discouragement of peaceful constitutional change.

Dr Boraine cited two examples in this regard — the Salem oil fraud case that involved taxpayers money — and the recent Lamontville disturbances that involved serious allegations of police brutality.

**Warned**

The Natal Mercury in Durban and the South African Press Association were indirectly warned that publication of a speech by Mr Harry Pitman (PFP, Pinetown) on the situation in the two Durban townships, La-

montville and Chester-ville, would contravene the Police Act.

"It is interesting to note, that Mr Pitman, specifically mentioned that he was raising the matter in Parliament because the Press were denied access to the townships concerned, and rumours were rife," Dr Boraine said.

**Threatening**

He urged ministers to stop threatening, as it created an impression that an attempt was being made to intimidate the Press.

"The Press seeks to hold up a mirror to society. Without the right to report every speech (in Parliament), no matter how controversial or contentious, would distort even further the image of society which it is possible for the Press to reflect.

Dr Boraine also urged editors not to ask permission to print any speech made in Parliament. He said the law was clear, they had a right to report as much as Parliamentarians had the right to speak freely.

"I will speak and be damned — I hope you will continue to publish and if necessary — be damned." — Sapa.

## Steyn Says Media Must Stay Free

JOURNALISTIC independence has not been achieved in South Africa, the chairman of the Commission of Inquiry into the South African media, Judge M T Steyn, said in Pretoria yesterday.

In his opening address at the seminar on freedom of South African media, he said the media must be free. Disaster would follow if one tried to suppress freedom of the individual.

The commission, seeking to assist in achieving journalistic independence, suggested professionalisation as a "suit of armour". But the media regarded it as a "straight jacket" and rejected it, the judge said.

He said South African journalism was disunited and vulnerable, which was extremely damaging for the South African

community and could be fatal for South African journalism.

The essence of media freedom was "the right and ability of those reporting and commenting on the affairs of humankind to do so correctly, adequately and according to own conviction".

He said it was only in this sense the media could assist in giving shape and creative direction to ideas and values constantly emerging in the social crucible.

Judge Steyn said journalism was a very young field and history had shown that fields of learned human endeavour only achieved independence by organising first as guilds and later as professions. It was for this reason the commission suggested professionalisation of the media.

## Press in SA Not Muzzled--Nat MP

PRESS freedom did not mean that newspapers "like a James Bond" possessed a "licence to kill with impunity", the National Party Member of Parliament for Pretoria Central, Mr Louise Nel, said yesterday.

Addressing a one-day seminar on Press freedom in Pretoria, he said newspapers, like any free individual, were subject to the laws of a country.

Laws were often quoted by political commentators to create the impression that the South African Press was muzzled. This implied that the Press could only be

free if it functioned above the law — a standpoint that should be rejected totally.

Laws involving secrecy were the only real restriction imposed on the media, he claimed.

"Nowhere in the world is the existence of laws that require secrecy seen as an intrusion on Press freedom.

"For that reason, it should also not be seen in South Africa as an intrusion on Press freedom.

"We can thus reasonably conclude that the South African Press is not subject to censorship and that in principle it is free," Mr Nel said.

## Downplay Terrorism, Professor Tells Media

A PRETORIA academic yesterday warned against the danger of giving terrorists unwarranted publicity.

Addressing a seminar in Pretoria on the freedom of the South African media, Professor Mike Hough, director of the Institute of Strategic Studies at Unisa, said it was essential that the Government and media should follow a balanced approach.

However, it should be borne in mind that at times "certain freedoms are curtailed in order to achieve greater freedom".

"The propaganda and psychological warfare goals of terrorists are often served by the media, and violence is only part of a wider strategy of drawing attention to the terrorists' cause," he said.

The need for publicity was one of the main reasons for the shift from rural insurgency to urban terrorism.

"It is also important for a terrorist group to claim responsibility for a suc-

cessful deed of terrorism."

He said a solution to the question of undue publicity given terrorists was not easy. Ideally, the media should underplay the terrorism event and yet report the facts.

"Even factually correct reporting about terrorist incidents creates publicity for the movement, but, on the other hand, the public has a right to know."

He said, however, that if the media ignored terrorist activities, they would merely increase the scope of their activities.

A news blackout could invite disaster, he said.

"The public has the right to know and preventing the spreading of chaos and rumours is an important aspect of reporting terrorist incidents," he said.

"While guidelines by the Government in addition to self-imposed guidelines may be essential, a careful balance must be struck between censorship and freedom — including freedom of the Press."

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MORE EFFICIENT UTILIZATION OF RESOURCES URGED

Johannesburg THE STAR in English 28 Jun 83 p 21M

[Article by Prof Theo Beukes]

[Text] To the environmentalist, the wilderness has become a contemporary form of sacred space and a focus for a sort of religious feeling.

Accepted wisdom in environmental management rests, basically, on a static concept of a dynamic world. Seemingly the environmentalist seeks to preserve, in a changing world, a set of relationships based on his understanding of the wilderness.

The terms "wilderness", "virgin land" or "unspoilt nature" conjure up an image of moss-covered trees and natural forests, standing changeless for centuries. The forest must be undisturbed by man and the grasslands ungrazed by domestic stock.

It is, however, meaningless semanticism to try to distinguish between natural and artificial disturbances. The damage to the forest is identical, whether a fire is set by lightning or by a human incendiary. Equally so, if the grassland is grazed by game or by domestic stock. Instability is inevitable, and the changeless, unspoilt wilderness a myth.

The environment, like any other resource, obtains value as a result of human reactions. Value is not something inherent in the resource itself. Rather, it is an expression of what people are willing to pay or are willing to sacrifice in alternatives.

Natural resources produce a variety of goods and services, such as food, water, wood, wild life and wilderness. Each is legitimate, whether expressed in monetary terms or not.

Concern over the environment and the efficient utilisation of natural resources dates back to the last century. From this evolved the modern concern over the environment which seems to equate "efficient utilisation" with "zero utilisation" and an emphasis on aesthetic value. The fact that the environmentalists' own enjoyment or utilisation of the aesthetically valuable unspoilt environment represents a violation of the wilderness, is conveniently ignored. To be true, the environmentalist seems set on usurping title to a property which has all the characteristics of a public good.

The point is that efficient utilisation of a depletable resource is *not* synonymous with zero utilisation, but rather a question of the most appropriate allocation of the in situ resource.

An implicit assumption of the environmentalist advocating preservation is that utilisation of the environment or resource is irreversible. The fact is that utilisation of the environment is reversible given sufficient application of technology, labour and capital.

Only in exceptional cases will utilisation be irreversible, ex-

amples being truly unique natural phenomena for which no substitute exists. Supply cannot be increased and the scarcity value will consequently increase. There seemingly exists a positive correlation between this increased demand and increased levels of education and income.

Another fallacious assumption made by environmentalists is that environmental degradation, particularly due to pollution, is the result of economic growth and progress. The implication being that there exists a causal relationship between industrialisation and economic development on the one hand and environmental destruction on the other.

This view ignores the reality that economically developed societies are currently in a very active phase of environmental policy formulation. Moreover, these societies possess the knowledge and means to restrict excessive utilisation or pollution of the environment. In fact, as a general rule, a high level of economic progress can be compatible with a cleaner and controlled environment.

Rather than attempting to curtail or to sabotage economic progress in developed economies, environmentalists may be well advised to direct their protective fervour to resolving the

problems of unbridled population growth, unprecedented urbanisation and the flagrant environmental degradation in developing economies which, if not curtailed, will without doubt transcend national boundaries.

Southern Africa's environmental beauty will be preserved for future generations, not by public outcry over a few acres of "fynbos", or over the extraction of coal from a small portion

of the Kruger Park, or over the siting of Koeberg, but by the curtailment of the excessive population growth within Southern Africa and the concomitant economic progress of the region.

CSO: 3400/1573

## ARCHBISHOP HURLEY CALLS FOR CHRISTIAN UNITY MEETING

Johannesburg THE STAR in English 29 Jun 83 p 10

[Text]

**The call by Catholic Archbishop Dennis Hurley for a massive meeting of Christians to concentrate the forces of the church on social change found favour at the South African Council of Churches conference in Johannesburg last week. The SACC is now to convene a meeting of church leaders to canvass their views on the plan. This is an abridged version of the Archbishop's speech.**

As Christians, what is our mission in South Africa today? Are we called in any way to try to promote a peaceful solution to South Africa's seemingly intractable problem?

The answer is obviously in the affirmative. Where peace is threatened, where peace is already broken, the Christian has a responsibility. Christian churches have a very definite responsibility.

When peace is broken or threatened by injustice, the Christian has a responsibility to work for peace, to work for righteousness, by striving to rectify what is unrighteous, unjust.

When people do not seem to know the things that make for peace, it is clearly a Christian duty to endeavour to make them known.

Can it be said that South Africa does not know the things that make for peace? There are many in South Africa who think they do know, but there is little agreement between them.

Opinions differ from the most rightwing verkramppte white opinion that continues to put its faith in un diluted white baaskap, through to leftwing black opinion that sees violence as the only path to peace.

In the midst of this confused clamour have the Christian churches a clear picture of the path to peace that they could follow with consistency and vigour?

Pronouncements have been made, principles have been enunciated, but to the best of my knowledge, no systematic Christian programme has been worked out to indicate how the churches, or some of them, anyway, envisage the path to peace in South Africa.

So, the voice of Jesus says to us and to South Africa in general: "If only you had known the things that make for peace."

We could go on as we have been going on for a long time, with the leadership of the churches and of the South African Council of Churches and of the Christian Institute, prior to its suppression, enunciating the Christian values relevant to the situation and in several admirable cases living out those values to the full, but with little reform and support from the great body of church membership.

Even if a fair proportion of church membership got involved what could be achieved? Looking at it from the perspective of the present time, the outcome looks anything but promising.

It would take a great miracle to transform South Africa along Christian lines, and we do not believe in miracles. They do not seem to happen in South Africa, the kind, at least, required to bring peace to our country.

I think of the church in Latin America, once a church that appeared to manifest few reasons of validity and relevance, and now a church that seems to know where it is going and by what means it should pursue its journey.

One of the great landmarks in the revitalisation of the Latin America church occurred in 1968 when a conference representative of the Catholic Church in all Latin American countries was held at Medellin in Columbia.

The conference brought together bishops, priests, members of religious orders, theologians and others for two weeks and a powerful impetus was given to the promotion of basic communities.

Obviously, one cannot take over as a blueprint what has proved successful on another continent and in another tradition.

Nevertheless, it is worth considering whether concerned churches in South Africa should not think in terms of some of the basic elements of the Latin American approach.

I suggest that we aim at a large Christian conference in 1986; that churches, and possibly certain church organisations be involved to participate on the basis of a decision by their leadership, that the leadership assume overall responsibility for the conference.

# FUTURE OF DE LANGE REPORT RECOMMENDATIONS PONDERED

Johannesburg THE STAR in English 29 Jun 83 p 11

[Article by Carolyn Dempster]

[Text] Will the recommendations contained in the De Lange Report on education ever see the light of day? This is the question most educationists, parents and teachers are asking.

Yes, says Professor JP de Lange, head of the Working Party nursing 'the recommendations through Parliament. Professor de Lange, the Rector of the Rand Afrikaans University, gave his assurance this week that the Government is likely to produce the first White Paper on the report at the start of the Parliamentary session in August.

"But when did anybody ever accept all the recommendations of any report," he asked a meeting of educationists, parents and teachers at the Johannesburg College of Education this week.

He then hastened to point out that not all of the recommendations were waiting in abeyance for the Government go-ahead however.

"A lot has actually been done at the 'nitty gritty' level, and 26 out of a total of 197 recommendations are already being implemented."

The use of computers in education, broadcasting and television as media of education and non-formal education were areas that had already been thoroughly researched as a direct result of the report.

"Just because some of the recommendations of a more political nature have not been dealt with by the Government does not mean that all of the recommendations have not been put into effect."

Professor de Lange's assurances come at a time when confidence in the future of the report is at an all-time low.

Professor Napier Boyce, Rector of the Johannesburg College of Education and a member of the Human Sciences Research Council Main Committee, commented: "Somehow there was a sense of urgency during the months of the investigation. The crisis

was very much with us and a need to resolve the problems facing South Africa. Now we are still sitting here two years later waiting for action. One wonders whether Soweto will wait."

Dr Ken Hartshorne, a prominent educationist and also a member of the HSRC Main Committee, feels that not only has the impetus toward change been lost, but the primary reasons for the investigation have been forgotten.

The disillusionment has even spread to the ranks of parents, who saw in the De Lange report hope of fundamental changes to a disintegrating education system. One English-speaking parent who attended the JCE meeting facetiously asked Professor de Lange: "Do we have any real chance of seeing the recommendations of the HSRC report implemented in our lifetime?" — a question which reflects the views of the majority of English-speaking teachers and educationists.

## Recipe for Coexistence 'Should Start at School'

KIMBERLEY — Schools must help and encourage pupils to learn more about the way of life and aspirations of people of other colours, cultures and places, says Professor B Booy-

sens, of the University of Stellenbosch.

He was addressing the Suid-Afrikaanse Onderwysersunie which is presently holding its

97th annual conference in Kimberley.

"Knowledge of each other is the first step in the direction of better attitudes for co-existence," he said.

"How much do our pupils know about Soweto, the coloured population group, South Africa's Indians, the Jewish and Portuguese communities, the people of South West Africa, the Malays of the Cape, the flat dwellers of Hillbrow?"

"At the same time, the consciousness of an identity of one's own is the point of departure in this direction.

"Although Afrikaner identity has become a false note in certain circles, it remains true that it is misguided to try and learn about other cultures if yours is a closed or forbidden book.

"Knowledge of, appreciation of and protection of one's culture are indispensable for the promotion of good attitudes.

Professor Booysens also said young people were generally exceptionally sensitive about justice and fairness in the community.

"Perhaps the older generation was not sensitive or thoughtful enough in this re-

spect, or perhaps the younger generation is prepared to confront the issues more realistically. Perhaps they are more aware of the social implications of the Gospel.

"I notice a strong impulse among our young people to share privileges and opportunities with others, especially in connection with self-actualisation.

"To give others what you own and enjoy requires self-denial, and this is a Christian attitude which we can encourage in our children."

Professor Booysens said an unavoidable duty to encourage the maximum self-growth of the school-going youth rested on our teachers.

"Where the white population — and especially the number of pupils — shows a pronounced drop or a levelling out, teachers and parents must see to it that, firstly, children progress as far as they are able, and that secondly, the emphasis is

placed on people of quality and excellence.

"Our children must in every case be of benefit to the South African community.

"In this respect we must guard against carefully counting our number of A-students every year, while forgetting the importance of the average and below-average students.

"A sizeable percentage of the leaders in a variety of fields were students who were average or slightly above average.

"It was already made plain in the past that the guarantee of the position and presence of the white child in the future would not be located in his skin colour, background or privileges, but solely in his quality and usefulness as a person and fellow-citizen.

"It has already become more urgent that the teacher go out of his way to develop a new connotation to the idea of work held by our young people."



## NMC OPPOSES INTRODUCTION OF MINIMUM WAGE

Johannesburg THE STAR in English 30 Jun 83 p 5

[Text] The Government should not introduce a national minimum wage as a means of combating unemployment and poverty, a National Manpower Commission (NMC) report has advised.

The NMC report says the introduction of a national minimum wage would tend to distort the workings of a free market economy.

For such a wage scheme to work the minimum wage would have to be linked to worker productivity, take into account different grades of workers, vary among business undertakings and be adjusted on a reasonably regular basis, the report states.

However the NMC felt it unlikely that a minimum wage system would be able to comply with these requirements.

An accompanying Government White Paper supports the NMC position and recommends that the present system of wage

determinations be made even more effective.

The present system is one of wage board determinations in areas of employment where there are no existing industrial councils to set down minimum wages.

The NMC report says a study of minimum wages in other countries, particularly in the Third World, shows that where there is a high minimum wage, work-seekers from rural areas descend on the urban areas, creating social difficulties.

The current system is defended and recommendations are made by the NMC to make it more effective. Suggestions include:

- The wage board be allowed to undertake its own investigations.
- Wage board determinations be revised every two years.
- Continued efforts be made to make greater distinctions in the

different categories or grades of workers.

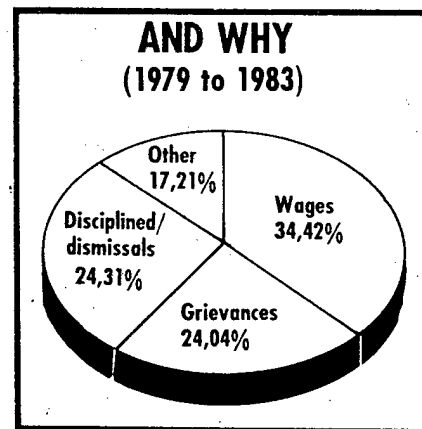
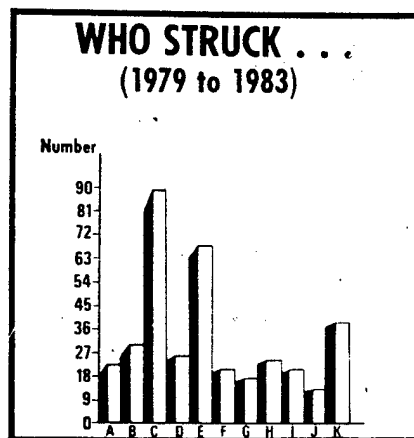
The White Paper supports the three recommendations and says that the Government is willing to amend legislation formalising the authority of the wage board to initiate its own investigations.

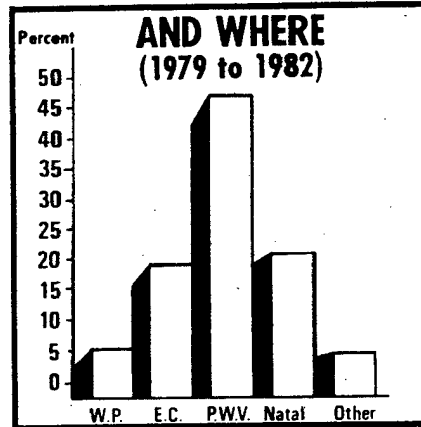
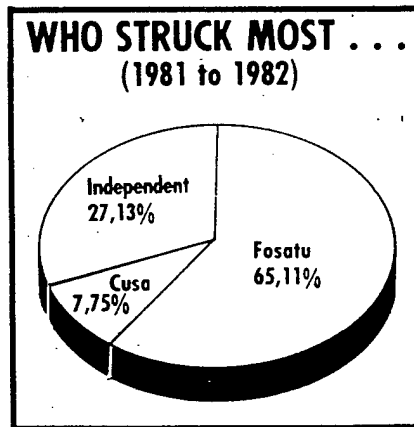
The NMC report also notes the difficulties of attempting to make wage determinations for domestic and farm labour and says these categories of workers are often excluded in determinations made in overseas countries.

Under the Wage Act of 1957 determinations are enforced by inspectors from the Department of Manpower.

Determinations are made on a non-racial basis for a certain industry, in a certain area, and for different occupations and categories of work. The determinations usually remain in force for at least a year.

A = Chemical  
B = Textile/  
garment  
C = Metal  
D = Manufacturing  
E = Food/beverage  
F = Transport  
G = Retail/  
commerce  
H = Building/constr  
I = Print/packaging  
J = State services  
K = Automobile/  
allied





Dismissals and disciplinary action taken by management are seen as a major cause for recent labour unrest in South Africa, according to a new survey.

The survey on industrial action was produced by the industrial relations consultancy of Andrew Levy and Associates in Johannesburg and it examines several hundred strikes and work stoppages over the past 10 years.

While union recognition was a major factor in strike action in 1980, pensions in 1981, retrenchments, disciplinary action and dismissals over the last quarter of 1982

and first quarter of 1983 accounted for much of the current unrest, the survey found.

Issues such as wages and other related grievances have recently played a lesser role in what the researchers describe as "strike triggers".

Nearly 30 percent of strikes between 1979 and 1982 lasted between three and five days and over 10 percent lasted for six days or more, according to the survey.

Where a union is involved in a strike, the strike will generally last longer than in a situation where non-union workers are involved.

These statistics go against earlier Government estimates that have a majority of strikes ending in one day or less.

The metal industries were the most strike-prone over the past four years, especially those in the Transvaal.

Other fields which saw numerous strikes were the food and beverage and automotive industries.

In the area of strike activity, the Federation of South African Trade Unions (Fosatu) was the most actively involved union grouping over the past two years, the survey shows.

CSO: 3400/1573

'FREE' HOMELANDS CAUSE CONFUSION IN STATISTICS

Johannesburg THE STAR in English 18 Jun 83 p 18M

[Article by Stan Kennedy]

[Text] With newly-independent states assuming responsibility for statistical services, major problems face business planners, says Mr J A Grobbelaar, senior economist at the University of Stellenbosch's Unit for Futures Research.

From the marketers' viewpoint, South Africa should be demographically defined according to its pre-1976 boundaries — to include the independent black republics of Transkei, Bophuthatswana, Venda and Ciskei.

But as self-governing states become independent, the Central Statistical Office stops issuing statistics relating to them.

Mr Grobbelaar says: "With the exception of Bophuthatswana, no statistics have been issued concerning the other three states, and planners at all levels of business are making do with whatever statistics they can lay their hands on.

"Only three reports have been published since the 1980 census and these, having been based on a 5 percent sample tabula-

tion of the census, are of limited value."

Population projections such as those from the Human Sciences Research Council, Department of Statistics, the United Nations and Sadie, have shortcomings because of assumptions by researchers.

"There is also a lack of vital statistics on fertility, mortality and migration, especially in the case of blacks."

Quoting from unpublished projections of Sadie (1982), Mr Grobbelaar says that from 1980 to 2000, the black population is expected to increase from 20,5 million (72,2 percent of the total population) to 26,9 million in 1990 (75 percent of the total).

By 2000, this is expected to grow to 34,9 million or 77,63 percent of the total population.

Even more important to marketers and economists are expected changes in age structure of the entire population, he says.

Blacks in the age group to 14 will increase from 8,7 million in 1980 to 13,5 million in 2000.

But blacks in the 15-64 group will increase by more than 8,9 million in the two decades.

"This age group is representative of the potential black labour force in need of job opportunities. The information is of prime importance to marketers, as the economically-active persons in this group will be the wage-earners and breadwinners with money to spend and various needs for goods and services."

The projected number of black children of school-going age by the century's end will be 4,7 times that of whites, Coloureds and Asians together, he says.

The implications of having almost 15 million children in the 5-19 age group, of whom more than 12 million will be black, indicates the magnitude of the task ahead to educate these people; add to that the opportunities for business to supply goods and services related to education.

CSO: 3400/1573

# FACTORS OF SOUND ECONOMIC DEVELOPMENT DETAILED

Johannesburg THE STAR in English 30 Jun 83 p 18M

[Article by Dr John Burns, executive director of the Manpower and Management Foundation]

[Text] That events in South Africa during the next decade will prove more crucial than any in our history is undeniable.

A burgeoning black population, changing political dispensations, emerging black trade unions, low productivity, pressures from within and without, are but some of the forces shaping events in this decade.

Despite the problems inherent in these factors, I remain optimistic because of the calibre of person with whom I share responsibility for the future.

The Manpower and Management Foundation has trustees and directors committed to the promotion, within the free enterprise system, of progress and prosperity through the development, optimal utilisation, and fair treatment of all people in Southern Africa.

These men and women, representing all race groups, agree with Dr A M Rosholt who says in a submission to the Economic Affairs Committee of the President's Council, that "... the future can only be achieved in an evolutionary way if our economy is basically sound and strong".

Among factors contributing to sound economic growth in South Africa are:

- Continued growth of the mining industry.
- Entrepreneurial skills which have established South Africa as the industrial and business giant of Africa.
- South Africa's public and private financial leadership which is respected internationally.
- Developed infrastructure and international trading links.
- Small business development.
- Emergence of world-class major business groups.

However, there are serious factors mitigating against economic development

which could result in serious economic and political problems. Some of these are:

- Increasing shortage of qualified managerial staff.
- Critical backlog of technically-qualified blacks.
- Inadequate understanding by many managers of the role of black trade unions.
- Inferior quality of non-white education and training.
- Growing unemployment exacerbated by drought.
- Low productivity.
- High inflation.
- Negative attitude of many blacks towards the free enterprise system.
- Regulations denying blacks freedom of movement in pursuit of work.
- Land tenure regulations prohibiting freehold title for blacks in urban areas.
- Exclusions of urban blacks from political decision-making.

If our ability to initiate political change that will accommodate a wide spectrum of demands is predicted upon a sound and strong economy, do not the foregoing factors spell trouble?

No, because with the emergence of Afrikaans business leaders into the big-league business world the National Party Government is more susceptible to arguments urging the abandonment of ideological policy in favour of economic survival realities.

The key to survival is the keen judgment, courage, and integrity of the Afrikaans business leaders. These qualities are not lacking in the English-speaking business community, but it is the Afrikaner who is most likely to prevail upon Government.

But no matter how spectacular the economic growth or how equitable a new political dispensation might be, ultimately the fate of South Africa and the sub-continent depends on co-operation by black leaders who must:

- Preach the necessity of family planning.
- Change tribal land tenure systems.
- Ensure intensive, co-operative farming methods are initiated so people can feed themselves.
- Enforce nature conservation to prevent the devastation that is denuding Africa.
- Insist on fiscal responsibility.

The public and private sectors must support black leaders. Thus all education and training facilities must be rationalised and fully utilised. Educational standards must be equal for all.

Development of the human aspiration must be a prerequisite of all development programmes. There must be a commitment by private and public sectors to develop blacks for upward mobility in business and Government.

Local communities must articulate their own needs and, where possible, decide on local resources to meet local needs. Participation in self-determination is a pre-requisite for self-respect.

Self-respect, adequate training and equal opportunity are precursors to improved productivity, which will help lower inflation and South Africa will become a more effective exporter of goods. Where Korea, Taiwan and Japan have blazed a trail, South Africa could then compete. And the slice of the economic pie would be bigger for all.

This scenario will not unfold today. But a start must be made if tomorrow is to be secured. I, and those with whom I work through the MMF, are committed to a basic belief in social justice and equality under the law for all. The basis for all MMF activities must stem from this premise.

The English-speaking business community has long preached (if not always practised) this credo. The pragmatic Afrikaans business leaders are as morally committed as any.

With mutual support, trust and co-operation between white and non-white, English and Afrikaans, this decade should see South Africa lead the sub-continent towards a prosperous and peaceful new century.

KEY FINANCIAL ADVISOR ON ABILITY TO CUT INFLATION RATE

Cape Town THE CAPE TIMES in English 5 Jul 83 pp 1, 3, 4

[Interview with Dr Jeop de Loor, Director General Finance, appearing in "Your Money" supplement]

[Text]

South Africa should be able to cut the inflation rate sharply before the next economic upswing is underway, Dr Joep de Loor, the Director General Finance, forecast this week.

With several factors now working firmly in favour of a lower rate including a tightening of monetary policy Dr De Loor is reasonably optimistic that the rate can be slashed down to near single figures over the next nine months. Apart from the gold price the major uncertainty at this stage is the effect of the drought which could negate the positive effects of the stronger rand and other factors through inflating the food segment of the Consumer Price Index.

Dr De Loor is a key member of the country's finance team led by Finance Minister Owen Horwood.

Dr De Loor's perceptive views on the international monetary system and the world and South African economies are widely respected both in South Africa and abroad. In this special wide ranging interview Dr De Loor talks of the progress thus far in monetary reform, examines the gold price outlook and building society tax-free shares and forecasts when the boom will reach South Africa.

He also discloses studies are underway for a new scheme which could lead to surplus liquidity in the economy being siphoned off and deposited abroad

to earn valuable interest instead of excess funds merely being sterilized locally with minimal benefit to the country.

**Your Money:** How seriously are the authorities trying to reduce inflation — is South Africa about to adopt the stringent policies of Mrs Thatcher and President Reagan?

**Dr De Loor:** I do not think South Africa can emulate their policies to the same extent for the simple reason we do not have a similar social security structure which could support the jobless. In general, we should accept we cannot carry very high unemployment for a long time in our labour force.

It would be possible to have an inflation rate of less than five percent within six months if we were willing to push the economy into a recessionary nosedive with say minus 5 percent growth and jobless up to 20 to 25 percent. This would clearly weaken confidence and create the

potential for social unrest.

We are therefore trying to tackle the problem in a different way — looking at the deep structural reasons for inflation. The programme will be slower in yielding results but over the long term this is the only realistic method.

In essence, a delicate balance is needed — to try and obtain the minimum disbenefits of a policy with the optimum benefits and there is a certain price one has to pay.

**Your Money:** What structural factors are being examined?

**De Loor:** We have to first ensure that from the government side of the equation fiscal and monetary policy does not contribute towards inflation. Secondly there are the non-monetary and non-fiscal aspects — the closing of the wage gap, self-sufficiency in certain areas. These are all structural factors. Unless we give attention to them we cannot hope to have an inflation rate as low as our main trading partners.

### **Money supply control**

**Your Money:** Are there adequate instruments for controlling money supply growth?

**De Loor:** We have been unhappy in recent months about money supply increases. Although not the major factor in inflation, it is a very important factor and our fiscal and monetary policy is designed to maintain a non-inflationary stance.

The April rise in M2 of 19 percent was much lower than the more than 23 percent to 40 percent we had at one point in 1981, but it is still too high for comfort. We would have liked growth down to a figure below the inflation rate or at least closer to the rate. As long as it moves above the CPI one can argue it is contributing to that extent to inflationary pressures.

**Your Money:** Why has money supply remained at a high level?

**De Loor:** The reason for this has been put very succinctly by Dr De Kock and devolves on the instability of the gold price and drought aid to the farming community.

Secondly we are still paying at the present time the price of excess monetary growth over the past two years. There is a lag effect. We have to live through this period with a much lower increase in money supply in order to have a better future next year.

There are other factors, too: Through the greater openness of the balance of payments, the volatile fund flows cannot be immediately neutralised by state or Reserve Bank action.

### **New scheme**

**At the moment, if** there is surplus liquidity domestically the major instrument used is issuing additional government stock to mop-up liquidity. But interest payments form an item on the expenditure side of the Budget. Last year we spent an additional

R200m-plus on interest alone on public debt which we took up specifically to mop up liquidity — not to finance the Exchequer. That shows in your expenditure side and you do not have a corresponding revenue as the funds are lying idle at the Reserve Bank.

**Your Money:** How could this problem be overcome?

**De Loor:** One way would be to mop up liquidity, then deposit the proceeds abroad and earn income. This scheme would require sufficient forex reserves. It would provide a counter revenue which could be set off against expenditure and have less impact on the Budget.

**Your Money:** Are the monetary instruments to be further refined?

**De Loor:** Some of our instruments can be sharpened and as we find our way through this complex problem we are honing several and getting into position at an earlier stage.

**Your Money:** How far can we cut the inflation rate before the upturn?

**De Loor:** I am hopeful we can reduce it into or close to single figures before the upturn. This forecast is based on a number of factors working together to bring it down. The only uncertainty, apart from gold, is the drought which could push up the food portion of the index negating the downturn in the other parts of the CPI.

We should get down to single figures or close to single figures by the end of this year or

early next year. If inflation is not reduced South Africa will have an exceedingly high base at the start of the next upswing.

One should emphasize that our measurement of inflation is not precisely comparable with the United States. We measure inflation by taking a total basket — food, rent and so on. In the US they include real estate prices — the purchase value of homes. If real estate prices fall the index goes down much faster than would have otherwise been the case. One cannot compare South Africa's decline in inflation with the US rate in absolute terms.

### **Upswing timing**

**Your Money:** When will the upswing in the economy be underway?

**De Loor:** My best guesstimate would be we will see the first signs of the upswing towards the end of this year or the beginning of next year. At that stage the upswing will be relatively restrained for the simple reason that the current recovery in the US and Europe is much slower than the normal upturn after a recessionary period.

In the US, for instance, they have an average six percent growth after a downturn. The current rebound is only now around two percentage points strong as opposed to the traditional six percent. And that obviously means that with the large supplies of inventories and spare capacity it will take longer to filter through to other countries.

Our increase in exports will take longer to really come through to the economy and consequently provide a boost to the economy.

But if we can get back onto a normal agricultural year next year and if signs of an increase in exports earnings are seen — there are some early indications that this is already occurring — the economy could turn around by the end of this year or the beginning of next year.

Imports will remain relatively low, only starting to pick up towards the middle of next year so that the balance of payments will be relatively favourable for the whole of this year and probably the first half of next year which is a comfortable position.

#### Sub shares

**Your Money:** The Minister of Finance announced in the last Budget that tax concessions to building societies are to be withdrawn. Will this be a gradual process?

**De Loor:** It will be gradual process. The technical committee on banks and building societies has been given instructions to work on a scheme whereby the switchover can take place. They are currently handling this project which will probably be completed over the next few months. It will then be considered by government and an announcement will be made so that people should know well ahead of time how the changeover is to take place.

**Your Money:** There is a fear among investors that if they go into a building

society and buy sub shares that the tax concessions might be retrospectively withdrawn?

**De Loor:** I think any scheme will not be made retroactive. For those with existing investments the term will merely run out. And others with indeterminate investments will be given sufficient time to phase out. Only new tax-free investment will no longer be possible.

**Your Money:** How do you see the role of the building societies in future — will they become 'quasi banks'?

**De Loor:** I think the societies will always remain specialist institutions for fixed property financing but, because they no longer enjoy special concessions, most will probably feel the need for an outside source of finance to assist in difficult times. They are also looking at various other financial instruments.

For instance, when societies attract funds and lend on bonds they could create a certain certificate which in turn could be sold to financial institutions and in that way providing an accelerated return flow of funds. I believe we will soon have a much more efficient building society system without the distortions of the past.

#### Gold price

**Your Money:** What is the outlook for the gold price?

**De Loor:** Much will depend on the so-called "second debt crisis" the world is now entering. As you know we have survived the first debt

crisis simply because there has been pressure on the banks to roll over the present Third World debts.

We now have reached the position that several countries find it difficult to comply with IMF conditions.

These banks have made any further assistance conditional on the IMF programme being instituted. They want a green light from the IMF first that the country has turned around and will put its house in order before they lend further funds.

Brazil is in difficulty as it cannot comply with the IMF requirements for its next drawing, which means the banks are refusing to rollover. If there is a domino effect we could have occurring what was feared in the first debt crisis. Countries will default with a large-scale writing off of debts by the banks and it may finally impair the credit worthiness of some of the largest financial institutions.

Even if this does not actually happen, merely the fear of the possibility means people will start expecting other repercussions. Some of the oil producers are in the same category. They may consider dumping oil with the Opec agreement being breached. This may be relatively short lived — six months or less. The effect would be a drop in oil price again.

I would say the chances at the moment are no greater than I thought a month ago of a drop in the oil prices. But there is still a possibility of a crack and, if it comes, it will

probably be of the order of \$4 to \$5.

I have spoken to a number of oil industry specialists. They are not as pessimistic and see a reasonable base at \$29 a barrel.

**Your Money:** If the oil price is cut again what would this do to the gold price?

**De Loor:** I think the gold price will temporarily take a knock — the rest of the world will see initially less inflationary pressures. This will be very short lived with the uncertainty subsequently leading to a rise in the gold price as investors hedge into gold.

I am very confident that as far as gold is concerned we are well set. We are just waiting for the bus to arrive and when it arrives it will go. I am not worried about the gold price over the medium to longer period.

**Your Money:** Is the gold price likely to remain subdued for two years or more?

**De Loor:** I don't think so. I am more optimistic than that by next year it should be moving again if one looks at the underlying factors.

In the next six to 12 months there is nothing one can see which should give gold a boost to run say beyond \$500 to \$600.

But in the longer term the international monetary problems point only in one direction. Gold must benefit in the end.

**Your Money:** What is a floor price for gold?

**De Loor:** I would be very surprised if the gold price would drop below say \$350 and remain there for



a substantial period. I would not exclude a sudden sharp drop for some sudden reason which may arise. We should not be alarmed by that. Gold will have a very sharp bounce back again. There is a sufficiently strong floor being formed in most difficult circumstances today which will make it unlikely for gold to fall even as low as \$350.

**Your Money:** How do you see the current account performance over the next two years?

**De Loor:** If you take the BOP surplus, we were surprised by the rapid rate at which it turned around from substantial deficit to a comfortable surplus. If one analyses the underlying factors, exports have remained relatively firm declining very little in money terms but imports declined markedly. For this year another substantial drop in imports is likely.

The current account surplus should be of the order of R2 billion this year and probably of the order of R1.5 billion next year. Most of the surplus will be earned in the first half of next year and then we should move towards a more balanced position by the end of next year.

#### **Credit rating**

**Your Money:** South Africa's credit rating has improved markedly in Euro markets...

**De Loor:** This is part of a long term effort we have put into improving our credit risk on which we are judged. We have for quite some time been careful in not over borrowing abroad. Our debt ratios are very comfortable. We are not part of this debt crisis.

In fact, we have extensive foreign borrowing capacity. Our fiscal and monetary affairs have been managed in a way in which foreign investors see capital and interest redemption covered many times over by export earnings and gold is a substantial portion of the latter at relatively low price. The upside potential is high.

The unification of the commercial and financial rand in February has been interpreted abroad as a movement from a position of strength and there is confidence that we can maintain that position. This has also assisted our credit rating.

#### **Forex controls**

**Your Money:** Is there a benchmark gold price for the lifting of foreign exchange controls?

**De Loor:** No, that would be only one of the factors. The exchange control lifting

is not around the corner. Obviously we are thinking of a long term movement of gradually relaxing exchange control but there are so many preconditions. One has to pick the time carefully before taking the next step. The previous step was the unification of the two exchange rates. This was a very major step... We will have to digest this first and test it before taking the next step.

**Your Money:** The lifting of forex controls could lead to a volatile exchange rate.

**De Loor:** High volatility would unsettle our trading and it is for this reason we cannot move too fast. We could lift controls tomorrow but the exchange rate would be extremely volatile. The exchange rate is already more volatile due to the unification of the two rands with foreign investors able to move in and out readily.

One needs a much larger portion of reserves to support the rate in case there is a sudden unnatural dip. The increased volatility is a very important factor as it will determine the level of additional reserves needed in these cases. Total lifting of exchange control is a difficult decision but there are certain areas in which we will move in the meantime.

## PORT ELIZABETH HARBOR TRADE GAP NARROWING

Port Elizabeth EVENING POST in English 30 Jun 83 p 14

[Article by Louis Beckerling]

[Text]

FOR three consecutive months the volume of cargo passing through the Port Elizabeth harbour has increasingly narrowed the deficit on last year's performance.

The improvement — detailed in the table below headed "The gap narrows" — shows that in May a total of 362 031 tons of cargo was handled in the port; the 27,8% deficit on the 501 438 tons handled in May last year representing the narrowest gap since January's deficit of almost 60% (if the aberration of February's 11% gap is ignored).

Biggest boost to the month-on-month figures came from the exports of ore, which at 192 191 tons were a useful 32,2% up on April's figures. However this performance continues to compare poorly (-33,6%) with the same month in 1982, when a total of 289 472 tons of ore were exported through the port.

Containerised cargo showed an increase of a shade below 20% on April's figures with the imported cargo (at 2 849), exceeding the number of "boxes" shipped (2 484). Imports were accordingly 18,5% up on the month, though 24,7% down on the same month in 1982; while exports were 16,8% up on the month and 35,1% down for the year.

Port Elizabeth depends

heavily on the exports of manganese ore to raise its revenues, and suffered last year as a consequence of the contraction of international demand for raw materials.

For South Africa as a whole, though 1982 exports of this commodity were 8,7% down in volume on the previous year, earnings increased at a shade above the inflation rate (+15%).

Major outlet for the ore is the Port Elizabeth harbour, which suffered a loss in volume proportionate to the national figures — some 2,9 million tons of ore being routed via the port last year in comparison with 3,2 million tons handled in 1981.

## THE GAP NARROWS

Month/tonnage	% change on 1982
Nov 262 039	... - 44,7
Dec 376 143	... - 13,4
Jan 257 820	... - 59,4
Feb 303 202	... - 10,9
March 359 732	... - 44,1
April 288 987	... - 35,9
May 362 031	... - 27,8

## CONVENTIONAL CARGO LANDED

Commodity	tonnage
Steel	9 585
Wool, hides	2 497
Ferrochrome	14 262
Nickel	449
Copper	439
Asbestos	9 252
Fruit	32 864
General	1 050
Other	1 784
Total	72 182

CP WILL ALLOW JEWISH MP'S SAYS DR HARTZENBERG

Johannesburg THE CITIZEN in English 16 Jul 83 p 3

[Text]

Jewish members of the Conservative Party could become members of parliament or take up official positions within the party on condition they promoted Christianity in public and practised their religion only at home.

This was said by Dr Ferdi Hartzenberg, deputy leader of the CP in an interview published in *Buurman*, a quarterly magazine aimed at promoting a better relationship between the country's Afrikaans and Jewish communities.

The CP, Dr Hartzenberg told Ms Sarah Slabbert, editor of *Buurman*, believed in religious freedom although it would promote only Christianity, and therefore under the CP, education would continue to be Christian.

"There would be no provision for other religions in Christian national schools," he said.

### Religion

Asked whether rabbis would be allowed to teach Jewish children while Christian children attended their religion instruction classes, Dr Hartzenberg said no. He added that it was difficult to give a positive answer to the question of whether school grounds could be used for the promotion of other religions.

On the question of whether Jews could become members of the CP, he said membership of the party was open to any White person.

"And, if a man becomes a member, he can qualify for any other position in the party. This could, however, create a difficult situation: A Jew could therefore practise his religion at home, but as a party official he would not have any such problem," Dr Hartzenberg said.

Asked whether the CP had any objection to admitting a person who was outspokenly anti-Semitic, he said that his party would not expound or promote anti-Semitism.

### Principles

"A CP member must accept the party's principles and its discipline. . . a party cannot always have full control of its members and there are many opportunities where a member can do something which is opposed to the party's policy.

"If this comes to the party's attention, and if it could do the party's name harm, the necessary disciplinary action will be taken," he said.

The CP, he said, would do nothing which would be to the detriment of any other religion.

## LOCAL TAKEOVER OF KHAZAM-YENTOB GROUP RUMORED

Johannesburg THE CITIZEN in English 28 Jun 83 p 26

[Article by Don Wilkinson]

[Text]

MARKET speculation that the Khazam-Yentob group of companies in South Africa — Gentire, Williams Hunt, Aurochs, Capital Auto, and Autolec — were about to come under local control have been proved correct after several weeks of rumour which had the shares of all five rising strongly.

The controlling company, UK-based and listed Anglo-African Finance, is being taken over by a consortium of W & A Investment and New Bernica — an investment company dominated by Legal & General Volkskas — and Jack de Lille of the UK, with W & A as the controlling company of the consortium.

The agreed bid is for all of Anglo-African shares, except 30,13 percent held by Textile Investment, which the consortium is

acquiring separately from the 56,2 percent held by the Khazam-Yentob families. If minorities do not accept the offer, Anglo-African's London listing will be retained.

Total cost of the deal, including the 13,7 percent minorities holding, is estimated at around R22,5-million (£13,5-million).

According to Senbank, the consortium plans no management changes at the UK company, nor will the acquisition have any material effect on the earnings and net assets of either W & A or New Bernica.

The shares of most of the various local companies in the group tended to move a few cents higher in yesterday's market, with Williams Hunt 10c up at 360c.

Biggest move was in Gentire B shares, 100c higher at 1 100c, while the untraded A shares were quoted at 1 100 buyers,

1 150c sellers, against Friday's 1 050c.

The deal makes the third in the series transferring overseas control to local hands begun by Premier and followed by Rennies, and leaves unanswered, as those have done, many questions about the futures of all three groups.

In the case of the Anglo-African group, the biggest conundrum hangs over the future of Williams Hunt in which Unisec — and in the end-result, Standard Bank group — has a 28 percent stake.

Unisec also has 19 percent of Gentire.

The market, fully aware of Unisec's liquidity, has speculated that the group is interested in rebuilding its property portfolio via Williams Hunt's large property holdings, having divested itself of its Unidev holdings to Stanprop.

CSO: 3400/1573

CNDC INVESTMENT IN CISKEI REPORTED

Johannesburg THE CITIZEN in English 18 Jul 83 p 26

[Article by Daan de Kock]

[Text]

INVESTMENT in the Ciskei generated through the efforts of the Ciskeian National Development Corporation (CNDC) now amounts to R186-million, an increase of 50 percent on the figure for the bookyear ended March 1982 the chairman, Dr P K Hoogendyk, says in his annual report.

Dr Hoogendyk says jobs created by the CNDC — which is one of the corporation's highest priorities — 18 254 at the end of the bookyear, an increase of 32 percent. He says what is more significant, is that this was achieved in a period of only seven years.

The cost of employment created is also the lowest compared with current cost per job by developmental agencies elsewhere in South Africa. The average cost per job created amounted to R7 400, but in the industrial sector, where the biggest activity is taking place, the cost per job

created was only R6 100 — less than a quarter of the cost per job achieved by some developmental agencies elsewhere.

Dr Hoogendyk says one of the reasons for the sharp growth achieved in the past seven years, since the inception of the CNDC, was the concessions for industrial establishment in the Ciskei announced a year ago.

He also points out that the concessions are so attractive that the Corporation can now be more selective in the industries approved for establishment and at the same time can expect bigger financial contributions from the private sector from such industries.

The directors say in their report that during the last financial year additional share capital amounting to R10,6-million was issued by the Ciskeian Government to the Corporation.

The issued share capi-

tal, which is entirely held by the Ciskeian Government, at the end of March amounted to R56,4-million.

Loans received from the Corporation for Economic Development (CED) amounted to R21-million.

"These funds should preferably have been provided in the form of share capital. It would have benefited the Corporation and Ciskei to a greater extent had these loan funds been injected in this form," they say.

Total loan funds at the end of the year amounted to R33,8-million, which is 60 percent of the issued share capital. The loans are repayable over a period of two to 20 years.

The Corporation showed a net income after taxation of R302 608 for the year after a substantially higher interest charge of R3,5-million against R1,1-million the previous year.

CISKEI MAY ENTER LOCAL MARKET TO FEED ITS COFFERS

Johannesburg THE CITIZEN in English 18 Jul 83 p 27

[Article by F Meisenholl]

[Text]

THE Ciskei National Development Corporation (CNDC) is considering entering the local market for some of its capital needs, according to Mr Frans Meisenholl, managing director of the Corporation.

Addressing the Press at the release of the Corporation's 1982/83 annual report, Mr Meisenholl said he believed the Ciskei Government should give serious consideration to converting the CNDC into the Ciskeian National Development Bank.

"Much detailed thought will have to be directed at the structure of such a conversion, but I believe it to be the best way to generate maximum participation by the private sector," he said.

Mr Meisenholl said one of the reasons for the substantial success of the NDC in the past year was partly the fact that legislation was passed that allowed industrialists

to own property on freehold rights in certain areas in the Ciskei. Many industrialists had reacted favourably — some to the extent that they put money into opening new business ventures in the areas concerned.

Although the corporation had another very successful year, one can expect the growth rate to slow down somewhat this year. One reason is that the country is suffering from the drought.

The total of R186-million generated through the CNDC was invested in the following sectors: industrial development R84,7-million, agriculture R2,3-million, transport R22-million, community services R18,6-million, infrastructure R5,6-million, small business R8,6-million, commerce R14,8-million, projects by the CNDC R4,4-million and administration R25,0-million. —DAAN DE KOCK.

CSO: 3400/1665

FARMERS CLAIM GOVERNMENT STALLING ON KWANDEBELE PLANS

Johannesburg THE CITIZEN in English 18 Jul 83 p 10

[Article by Keith Abendroth]

[Text]

FARMERS living in the Bronkhorstspuit-Marble Hall-Groblerdal area are on tenterhooks. They believe the Government is stalling on its final plans for consolidation of the KwaNdebele homeland.

Farmers in the area said yesterday they were becoming increasingly impatient over delays in announcing the plan. Many were holding back development plans until they knew where they stood.

The Minister of Cooperation and Development, Dr Piet Koornhof, said two weeks ago that an announcement would be made by last Tuesday.

But yesterday senior officials said the department was not yet ready to make an announcement.

White farmers and agricultural unions in the widespread area have

made known solid objections ever since the announcement in February of preliminary plans for consolidation.

At that stage Dr Koornhof said the plans could be drastically changed.

Protests have not been confined to Whites. The neighbouring Lebowa Government has also protested strongly against the incorporation into KwaNdebele of the Moutse area, near Groblersdal, and nine farms in the Nebo district.

Lebowa claims these areas belong to it traditionally and geographically, and that KwaNdebele has no claim on them.

More than 300 White farmers are affected by the proposals as they now stand — proposals aimed at extending KwaNdebele's land area by 290 000 ha at a cost of R150-million.

CSO: 3400/1665

AMALGAMATION OF LOCAL AUTHORITY EXAMINED

Johannesburg SOWETAN in English 28 Jun 83 p 4

[Editorial]

[Text] WE CANNOT take sides as to the virtue in the amalgamation of the Dobsonville, Soweto and Diepmeadow community councils or not, as we are in spirit against this kind of local authority. But because they have become a fact of life there is need to address the issue.

Amalgamation or not, means these local authorities will assume the kind of pseudo authority that is cosmetic. Whether they like it or not we can see no way in which the Government, even with the impending local authority bills in the pipeline, giving community councils unfettered powers.

The latest news is that the Soweto, Dobsonville and Diepmeadow councils are to be merged into a single Greater Soweto authority — but with each of the three areas continuing to run its own administrative affairs and to handle its own financial matters. Dr Piet Koornhof has been having a series of meetings with the leaders of these councils and there seems to be division among them.

What makes the issue somewhat distasteful for us is the suspicion that the various councillors are more worried about who will be the ultimate boss of Greater Soweto Council, than what the structure will entail.

Be that as it may it strikes us that talk of amalgamation is simply a

waste of time. If this is achieved we cannot see how it is going to improve the lot of the people so administered nor the administrators themselves. If anything, the centralisation will mean an expansion of the bureaucratic tentacles, so that more people will be doing less work.

Finally there is no doubt that the buck will stop not only with the boards but finally with the Government as to administration of these areas.

If we remember well it had been mooted before that Soweto and its surrounding townships should be amalgamated into the metropolis of a Greater Johannesburg. This would have been the most effective and most sensible thing to do because the links between the two areas is so strong.

This kind of amalgamation, which incidentally preceded the various administration boards, would see improvements in Soweto, not only because the Johannesburg City Council would make money more readily available, but would make nonsense of the shackles that the Government places on its bureaucrats.

When the Johannesburg City Council administered the townships there was almost something of a miracle in the number of houses



built and other facilities provided. When the boards took over, things slowed down and eventually stopped.

So the present amalgamation which seems to be raising the temperature so high among community councillors is in fact a non-issue.

At the moment we can see no autonomy in sight however hard the

present crop of leaders scream. The fact that they have hardly fought for more significant powers is simply an indication of their acceptance of governmental policy as a whole. If we had any form of respect for the present structures we would say amalgamation under a strong man would be advisable.

CSO: 3400/1573

REACTION TO BAN ON WINNIE MANDELA

Johannesburg SOWETAN in English 1 Jul 83 p 8

[Editorial]

[Text]

**THE SHOCK** renewal of the ban and banishment on Mrs Winnie Mandela, whatever it says about the new Internal Security Act, wipes out all the good intended.

Mrs Mandela is in a manner of speaking a defenceless woman, without her husband and immediate family around her. She also, however happens to be a symbol to many.

She is afterall among the few whose total commitment to her ideals have led to her being banned and banished, and banished to a tiny little village far from her home.

And finally she is the wife to Mr Nelson Mandela, who is regarded by many as a natural leader and a future statesman for South Africa. Mrs Mandela is also very widely known abroad and we believe the renewal of her banishment will create more unhappiness for South Africa.

Another awful thing about the workings of the new Act was the terrible agony it must have placed on many people who are affected. Most people who are banned were under intense pressure yesterday as the minutes ticked by.

By the time that this newspaper went to Press it was definitely known that about six people had their bannings renewed and most of these, as fate would have it, outside of the Witwatersrand area.

The uncertainty is worsened because there was hope that the new Act would perhaps change things for many of those so restricted.

As fate would also have it, some of those who feel the viciousness of this Act in its naked terror are women — Mrs Mandela and Dr Ramphela Mamphela in the northern Transvaal. These two, for whatever crimes they have committed, have been removed to strange areas far from their homes and it is a measure of their strength that this has not broken them.

It is amazing that the Government, with the whole arsenal of formidable laws at its command should find this the most effective way of dealing with them. Without being sexist, the fact that they are women makes the Act even more vicious.

Having said all that, we do not believe Mrs Mandela will be cowed by this latest banning. We do not believe that anybody like her would be intimidated by an Act that is considered cruel and unjust.

Instead what seems clear is that Mrs Mandela and others like her are being given the kind of stature and credibility accorded only to heroes and heroines. It is clear that her fame will go even further afield in the world.

We would have thought the Government had other things in mind with the new Internal Security Act. To our dismay the screws seemed to have been tightened further.

## CRITICAL SHORTAGE OF TRAINED SCIENTISTS, MATHEMATICIANS REPORTED

Durban THE DAILY NEWS in English 15 Jun 83 p 10

[Text]

**PRETORIA:** South Africa's nationwide shortage of trained natural scientists and mathematicians has reached critical proportions.

Public organisations have to function with between 16 and 28 percent of their research posts unfilled and, in a few key institutions of the CSIR, the shortage of research personnel is as high as 36 percent.

These are the findings of a Human Sciences Research Council study, initiated at the request of the Prime Minister's Science Advisory Council.

According to the report "an average of 2 400 students will have to obtain BSc degrees annually until 1990 to provide adequately for manpower needs."

Optimistic estimates put the probable number of BSc graduates at more like 2 200 a year.

The study found a vicious circle.

"Owing to the low number of students who study the natural sciences, too few post-graduate students and teachers are recruited for this field.

"The unavoidable result is that the quality of the training at both tertiary and secondary levels of education is lowered.

"The quality and quantity of research in the natural sciences suffer, a factor which in turn is responsible for diminishing interest in this field."

The report said measures to remedy the problem must include:

- A countrywide co-operative effort to improve the academic qualifications of the large number of unqualified and under-qualified teachers in the natural sciences and mathematics.

- In-service training.

- A recruiting campaign initiated at the highest level.

"This will be successful only if attention is paid to the salaries of teachers who have the necessary qualifications."

These teachers, the report says, should be "elevated financially above the rest of the teaching staff."

- Classroom practice to be made a priority for trainee teachers.

- Elimination of all discriminatory mea-

sures in the conditions of service and remuneration based on sex.

- Vocational guidance to dispel pupil ignorance about careers in the natural sciences.

- Research into the best methods of teaching the natural sciences and mathematics.

The report found both basic and comprehensive black school programmes should be developed to promote study in these subjects.

- The introduction of optional "bridge" courses to help students cross the gap between school and university.

- Better teaching methods at universities.

The president of the Council for Natural Scientists, Professor Victor Pretorius, said the report was not specific enough.

CSO: 3400/1573

MUSLIM PILGRIMS REASSURED ON VISA ISSUE

Capetown MUSLIM NEWS in English 20 May 83 pp 1, 16

[Text]

While representations at the highest level are being made to get the Saudis to reverse their decision refusing entry to anyone without a valid visa, Muslim organisations and travel agents have called on intending pilgrims not to panic.

They assure Hajis that the matter is being sorted out with the Saudi Ministry of Interior, and representations are also being made through Rabitah Al-Alam Al-Islami.

Intending pilgrims went into a virtual state of panic after hearing that the first batch of pilgrims that left last week were refused entry at Jeddah and were forced to return to South Africa. The Saudi immigration officials apparently demanded valid visas. They did not have the visas because in the past South Africans were issued visas upon arrival. This is because Saudi Arabia does not have diplomatic relations with South Africa.

The Johannesburg representative of the Rabitah, Dr M Momoniat, said that a telex from the organisation's headquarters in Makka, in response to his enquiries, stated that:

- There is a blanket ban on ALL travellers to Saudi Arabia who are not in possession of a valid visa;
- Only one Umra per year is being granted;
- Visas for Haj will only be granted from the month of Shawwal.

The problem for South Africans in this regard is that if they were forced to have a visa before landing at Jeddah, they would have to incur greater costs by travelling via Karachi, Bombay or London.

Mr. Ahmed Kasker, a Wynberg travel agent, told *MUSLIM NEWS* that he, as well as other travel agents, were in constant contact with the Saudi airline representative in Nairobi. They were exerting pressure on the Saudi airline to have the visa ruling reversed.

He echoed the appeal of other travel agents by calling on intending pilgrims not to panic. He felt that there was still some time before the next batch of pilgrims was due to leave. He, however, gave the assurance that until the matter is resolved no pilgrims would leave South Africa to be stranded in Jeddah.

Meanwhile, the President of the Muslim Judicial Council, Sheikh Nazeem Mohamed, sent an urgent telex yesterday to Sheikh Ali Al-Harakan, Secretary-General of Rabita, expressing the MJC's concern about the visa ruling. He calls on Sheikh Harakan to 'use your good offices to reverse the decision and allow for visas to be issued at Jeddah airport, as in the past.' Sheikh Nazeem also stated that the next batch of pilgrims was due to leave on May 29 and was hoping that the issue could be solved before that date.

The MJC head told *MUSLIM NEWS*, 'Apart from maintaining direct contact with Saudi authorities, we also have people in that country at present who are negotiating on our behalf.

'We firmly believe that we will overcome this problem because it is our aim to ensure that our pilgrims can enter the Holy Land without any obstacles.'

## ADVERSE EFFECT OF PROTECTIONISM ON FOREIGN TRADE NOTED

Johannesburg SUNDAY TIMES-BUSINESS TIMES in English 26 Jun 83 p 4

[Article by Alec Hogg]

[Text]

**SOUTH Africa's protection of so-called strategic industries is in the spotlight once more.**

In Senbank's authoritative Economic Opinion released today, it is argued that if this country's persistence with protectionism continues it will have an adverse impact in the longer term.

Senbank's economists write: "Although our foreign-trade policy has been enriched by the new export promotion dimension, South Africa still flirts with protectionist and import substitution policies.

"In the long term a more outward-looking export policy would serve us far better. Subsidisation and protectionism are inefficient means for securing a share for any industry in world markets over the longer term," they add.

The bank explains that the performance of world trade is vitally important to South African economic health. The foreign sector (imports and exports) makes up roughly 60% of the country's gross domestic product.

This makes South Africa one of the most "open" economies in the world, as well as particularly vulnerable to swings in the growth of world trade.

By comparison, only 10% of economic activity in the United States is dependent on the foreign sector, while the figure in West Germany, which is regarded as an open

economy, is well below South Africa's 60%.

International trade, according to Senbank, has slowed down "substantially" over the past few years — recording an actual decline in value terms during 1981.

The international recession has been a major contributor to this trend, but Senbank warns that this is not the only problem.

"There are other distorting developments that could easily continue to have an adverse effect on international trading conditions during the next few years."

The most striking of these "distortions" is the growing trend towards a new brand of protectionism.

Gone are the days when protectionism is carried out through blatant tariffs and duties.

In their place are the more subtle import quotas, "voluntary" export restraint agreements and cumbersome administration techniques.

The bank states: "Although the growing protectionist approach has not yet reached the proportion of the 1930s, it is nevertheless discouraging international trade and it adds to inflationary pressures."

As important, this new development threatens the spirit of free trade embodied in the General Agreement on Tariffs and Trade (GATT) — an organisation which is fast being seen as a toothless wonder.

As the managing director of a large "protected" company in South Africa publicly stated recently: "There are always ways and means of getting round GATT. If you believe countries stick to all the agreements, you are naïve."

Senbank believes: "The effects of protectionist measures could easily be more damaging than suggested by its volume-reducing effects.

"The new dynamic elements of world trade are at stake, and the devastating effects of protectionist measures could escalate beyond their immediate qualitative impact.

■■■

"Recently, certain discouraging developments have affected international trade detrimentally. As yet there is no assurance of an imminent reversal in these developments," the bank adds.

Although Senbank is pessimistic on prospects for world trade in the near term, it notes that the international trading community is becoming increasingly aware of protectionist policies, export subsidisation and "other artificial benefits which distort the pattern of a country's comparative advantage".

Which is a clear warning that, by getting its house in order now, South Africa will stand to benefit when free trade takes priority once more, as it must for sustainable international economic wellbeing.

## NO ECONOMIC UPSWING EXPECTED BEFORE MID-1984

Johannesburg SUNDAY TIMES-BUSINESS TIMES in English 26 Jun 83 p 1

[Article by Alex Hogg]

[Text]

SOUTH Africa is well into a full-blown recession, the severity of which has been badly under-estimated by most leading economists.

And worse news is that the next upswing, expected by some later this year, will begin at the earliest in the middle of 1984.

The economy has shrunk so badly that by the end of this year South Africa will be in the same position as at the end of 1980.

Official statistics released in the SA Reserve Bank Bulletin this week show that, after the distortion of inflation has been removed, the level of economic activity in the first three months of this year was running at 4.2% below the same period in 1982.

■ ■ ■

With feedback from the real economy showing that the trend in sales, in volume terms, is still on the decline, it appears that, even if there is an unexpected improvement in the final quarter of this year, gross domestic product for 1983 as a whole is likely to fall by at least 3%.

This will follow last year's decline of just under 1%, which was the first time since the Second World War that

the South African economy had experienced so-called negative growth.

The Reserve Bank's figures for the first quarter show that the major reason for the drop in economic activity is the sharp fall in domestic demand.

Gross domestic expenditure, which effectively measures the demand in the economy and comprises the state of private and Government consumption expenditure, fixed investment and the change in stocks held, was some 10.5% lower at the end of the first quarter of this year compared with the same period in 1982.

A measure of respectability was brought to the bottom-line figure by increased exports and a drop in imports, but, although this turnaround was large, it was not nearly enough to offset the deterioration in domestic expenditure.

The official statistics, although already pessimistic, still do not take account of the drought, as the fall in the first quarter's figures was "merely a downward adjustment from the high level of output in the fourth quarter of 1982, when record winter crops were harvested".

As agriculture accounts directly for 8% of the total

economic activity in South Africa, and indirectly for a lot more, the negative effect which the drought will have cannot be over-emphasised.

Pretoria has publicly stated that it is relying on an export-led recovery to pull the country out of the current recession.

While many economists believed that the first sign of this would have been evident by now, they were wrong.

Internationally, the US is only now starting to show sparks of economic recovery, but Western Europe remains depressed.

Because of its strong trade links with European countries, South Africa needs a meaningful revival from this quarter before its exports can benefit.

In past business cycles, a revival in the international economy has started to show an effect on the local level of business activity only between nine and 15 months later.

Although it is true that the level of stocks in the US and Europe are at low levels, it would be unrealistic to believe that South Africa will be able to react to any overseas upswing more quickly than in the past.

This means that, if the long overdue European economic recovery started now, the

soonest it would have any impact on domestic affairs would be well into the second quarter of next year.

Another problem is that South Africa's inflation rate is so much higher than that of its major trading partners, and, according to many industry sources, non-mineral exports from this country are becoming increasingly more expensive in international terms.

A look at economic conditions suggests that the policymakers are resigned to the fact that the upswing is some way off.

Interest rates are churning upwards (as evidenced by Friday's further increase in the prime rate), and, as this is directly linked to the decisions of Pretoria, it suggests that the policymakers want the economy to slow even further.

Personal savings have slumped to a record low, inflation remains at a high level, residential property prices and the stock market are booming, and productivity is still on the decline — again all indicators that usually precede a decline rather than an increase in economic activity.

It is now clear that it is taking the policymakers a lot longer than they thought to correct the mistakes made during the excessive growth experienced in 1980 and 1981.

## TRANS-NATAL, ISCOR DISPUTE THREATENS 5,500 JOBS

Capetown THE CAPE TIMES in English 23 Jun 83 p 14

[Article by Brendan Ryan]

[Text]

JOHANNESBURG. — Nearly 5 500 jobs and capital investments totalling R80m are threatened by a dispute between Iscor and Trans-Natal Coal Corporation, the coal mining arm of Gencor.

Trans-Natal announced yesterday it had given three months notice of closure of the Hlobane Colliery to the Minister of Mineral and Energy Affairs.

Hlobane has cut back mining operations by a third and is reducing its staff by more than 1 200 or about 25 percent. Gencor hopes to place these workers in alternative employment in the group.

The mine supplies nearly a million tons of coking coal annually to Iscor.

### Agreement

Trans-Natal has spent about R80m at Hlobane since 1980 to modernize the mine after reaching agreement with Iscor to exploit coal reserves in the western area of the No. 1 mine.

Two coal deposits, the Gus and Dundas seams,

are mined separately through fully mechanized operations and a two-stream coal preparation plant has been built.

Both Gencor and Iscor remained tight-lipped about the cause of the dispute last night.

"I have nothing to say about it, it is a business matter," said Mr Floors Kotze, managing director of Iscor.

"As discussions may continue between ourselves and Iscor it would not be constructive for me to elaborate any further on the statement we have published," said Mr Johann Fritz, the head of Gencor's mining division.

The Trans-Natal statement said the company had been advised that Iscor could no longer accept coking coal from Hlobane Colliery, except on certain conditions determined by Iscor.

"Under the circumstances Hlobane has been left with no alternative but to stop delivery to Iscor of Gus seam coking coal.

"In view of the fact that the unilateral conditions stated by Iscor

are unacceptable to Hlobane, the question of the feasibility and extent of further deliveries of Dundas seam coking coal has necessitated the giving to the Minister of Mineral and Energy Affairs of the requisite statutory three months notice of closure of the colliery," the statement said.

"Discussions between the company and Iscor have, however, taken place and may continue. This may lead to a change in the position.

### Announcement

"The financial implications cannot be quantified until more clarity has been achieved. A further announcement will be made as soon as circumstances allow."

Iscor has drastically reduced its output and workforce in the face of the domestic and world recession in steel markets.

Several coking coal mines belonging to Amcoal and Gencor have been closed because of Iscor's reduced requirements but these were all old mines due to be closed shortly anyway

and Iscor's cutbacks merely speeded up this process.

While Iscor may be trying to force production cutbacks on Hlobane as well it is believed the dispute concerns the price of Hlobane's coking coal.

The row started at the end of April this year.

### Investment

Given Trans-Natal's huge investment, much of which may have been financed through loans, the company cannot afford any cut in price or planned production which would endanger its ability to pay back the investment and service the debt burden taken on.

In the September quarter last year Trans-Natal raised loans of R145m to be used as and when required for its capex programme.

Should the mine be closed the company will have to service its loans for Hlobane without any return from the investment they financed. It will also have to carry the costs of mothballing the plant and may resort to extraordinary write-offs of the investment.

RESERVE BANK SCHEME TO AID BANKS, DISCOUNT HOUSES REPORTED

Johannesburg THE CITIZEN in English 28 Jun 83 p. 27

[Article by Daan de Kock]

[Text]

THE Reserve Bank announced a new scheme yesterday to help banks and discount houses over this month-end, which is expected to be one of the worst in a long time.

The bank says in a statement it is prepared to enter into buy-back agreements with banking institutions from June 28 to July 7, for a total amount of R400-million.

Only prescribed stock and liquid BAs may be used as 90 percent cover, and institutions must indicate at which rate they are prepared to deal.

Most money market experts are of the opinion that this is only a temporary measure and that it would not have a big influence on the market.

The reason is that the Reserve Bank does not want to see short-term rates much lower at this stage, because this could foil its attempt to bring

down the inflation rate.

They say if institutions are not prepared to bid at very competitive rates it is unlikely that the Reserve Bank will help them.

The scheme is also additional to ones used up to now to help financial institutions over the month-end, ie advances by the National Finance Corporation and changes in the minimum liquid asset requirements.

Earlier this month the Reserve Bank announced a drop in the accommodation rate of discount houses — probably in anticipation of the month-end being a difficult one.

The shortage on the money market yesterday was in the vicinity of R811-million, but this could climb easily to over R1 000-million, even with the new scheme to help the financial institutions.

Earlier estimates were that the shortage would be about R1 500-million without help from the Reserve Bank.



SOUTH AFRICA

WOMEN SEEK CURBS ON EXECUTIVE POWER

Johannesburg THE CITIZEN in English 30 Jun 83 p 17

[Text] Pietermaritzburg.--The powers of the President under the proposed Constitution have been criticised by the National Council of Women in South Africa.

In a strongly-worded open letter of rejection to the Minister of Constitutional Development and Planning, Mr J C Heunis, the Council said that it was unable to accept the principles of the proposed Constitution and therefore could not make submissions to the select committee.

The National President, Mrs Else Schreiner, said that it was difficult to understand why the restraints that had proved effective in limiting the powers of presidents in other western republics had been excluded from South Africa's proposed Constitution.

"The proposed constitution gives wide, indeed extreme powers to the President, and the control of these powers by Cabinet, by Parliament or by independent courts is totally inadequate," said Mrs Schreiner in her letter.

The NCWSA is opposed to the proposed Constitution on three basic issues:

- .its exclusion of Blacks;
- .the fact that it is racially-structured and entrenches race classification; and
- .its entrenchment of White dominance.

Mrs Schreiner said that as a non-racial organisation deeply committed to the peaceful development of South Africa, the NCWSA did not believe that the solution to tensions which increasingly divided various groups, could be found by the enforced separation of groups and their statutory definition--rather, it "will only serve to heighten inter-group tensions".

The letter also called for the inclusion of a Bill of Rights in the Constitution.--Sapa.

CSO: 3400/1573

# ENGINEERS SUGGEST WAYS TO END PERSONNEL CRISIS

Johannesburg THE STAR in English 28 Jun 83 p 21M

[Text]

**Although the recession has removed some of the pressure of the manpower shortage, the underlying problems remain critical. And they can only worsen. Star Business today publishes the first in a series of articles looking at the manner in which prospective staff shortages are being tackled.**

If you mention a problem to an engineer his instinct is to reach for his slide rule so that he can measure it. That is precisely how the Federation of Societies of Professional Engineers acted when faced with shortages in their various disciplines.

The third and most recent of the federation's reports on supply and demand for engineers says: "In the individual disciplines the supply is growing at a pace generally sufficient to provide about half the demand. In civil engineering there is a critical shortfall."

Within the federation, the shortage of engineers is seen to be aggravated by the shortage of technologists and technicians. As a result some professional engineers are being used on work for which they are over-qualified. Examples quoted are construction supervision, including the sampling of concretes, and drafting work.

South African engineers see the solution as coming from four sources:

- Increased university enrolment.

- A more committed and determined immigration drive.
- The gradual introduction of black graduates.
- To a limited extent, woman power.

The federation's latest study concludes with five essential recommendations:

That the Department of Internal Affairs, in co-operation with the Department of Manpower, should stimulate the flow of immigrants with qualifications in engineering. As a result of recent Press reports of engineers being unemployed in South Africa, these departments have apparently been delaying immigration.

Ongoing efforts must be made to boost the supply of qualified women.

Particular attention should be paid to the growing problems of the imbalance between supply and demand in civil engineering.

Efforts to stimulate awareness of both professional and technical careers in engineering should continue at a high level.

Additional information should be obtained on the supply and demand for technicians and technologists.

The publicity drive which started with the Soweto project led to a R200 000 awareness campaign, started in Standard 7 with career guidance.

"This must be regarded as a long-term solution. Among blacks the socially acceptable professional careers are in medicine and to a lesser extent in general management.

"While we are trying to change these attitudes we must not force the pace, bearing in mind that the experiment to introduce Indians in Natal to engineering resulted in a minimum output at a cost of something like R1,3 million per graduate. Realistically, we are only anticipating the supply of 80 black engineers in six months time".

The federation is concentrating on other solutions, notably immigration and freeing South Africa's engineers for the duties for which they are qualified.

SOUTH AFRICA

SPLIT IN NATIONAL FORUM REPORTED

Johannesburg SUNDAY TIMES in English 26 Jun 83 p 20

[Article by Brian Pottinger]

[Text] A bitter row has erupted in two black political organisations opposed to the Government's constitutional proposals.

Spokesmen for the two-week-old National Forum this week attempted to patch over the differences between it and the United Democratic Front by declaring an "open door" for talks between the two organisations.

But unity between the two major black umbrella bodies is likely to remain elusive.

A third, Inkatha, remains united and aloof from the squabble.

A spokesman for the UDF has cold-shouldered the NF's offer of talks by saying the NF had created the tensions in the first place by attacking the UDF.

The differences between the two movements--jointly representing scores of community, trade union, cultural and sports groups--is now at the centre of a raging debate in black ranks.

Rejected

This week the black-consciousness orientated NF came under renewed attack by "Charterists"--UDF supporters who endorse the Freedom Charter of the old Congress Alliance that included the ANC. [as published]

Ms Zinzi Mandela, daughter of the banned ANC leader, lashed the NF by implication at a June 16 commemoration service for being "ideologically lost political bandits".

Points of difference between the two movements are now based on founding charters, the participation of liberal groups in the struggle, the role of ethnicity in mobilising communities against the constitutional proposals and the term Azania.

Spokesmen for the National Forum have sought to downplay the differences between the groups, and this week Mr Saths Cooper, vice president of the Azanian People's Organisation (Azapo), which convened the NF, said that the doors to further discussions were always open.

In response to the fierce attacks on the founding of the NF--UDF spokesmen have claimed it is intended to rival their efforts--Mr Cooper said the organisation was prepared to accept criticism as part of the democratic process.

He rejected charges that the NF was a rival to the UDF and claimed that its objectives were on a far wider scale than the UDF's.

"The manifesto drawn up by the NF was not black consciousness orientated or Africanist, and there was nothing in it to which any democratic and progressive body should object," he said. [as published]

'Slaves'

Dr Neville Alexander, a prominent member of the NF, said he favoured an initiative to discuss differences, but conceded that the participation of liberal groups in the UDF presented a problem.

"The NF does not see itself as opposed to any other body or organisation. It is not the intention to gang up against any organisations or alliances".

But Dr Essop Jassat, a member of the UDF's steering committee, has accused the NF of being "deceitful" in luring supporters of the UDF to the NF's launch by saying no decisions would be taken--only opinions canvassed.

He attacked the NF's manifesto as "unnecessary duplication" and claimed that the Freedom Charter accepted by the Congress Alliance in the 1950s and endorsed by the UDF covered the points raised by the NF's manifesto.

And the term Azania used by the NF as replacement for South Africa was unacceptable as it was an East African Arabic term meaning place of slaves.

The NF offer for discussions has been greeted with caution by UDF spokesmen. Dr Jassat claimed that Azapo representatives had approached a number of UDF supporters before the NF founding meeting to invite them to what was described as merely a forum for discussion.

Instead the organisers had converted it into a launch for a rival organisation.

"With that background we are a little cautious about further talks", said Dr Jassat.

CSO: 3400/1573

AFRIKAANS SPOKEN LESS AT HOME BY SA BLACKS

Durban THE DAILY NEWS in English 24 Jun 83 p 6

[Text]

AFRIKAANS was being spoken less as a home language among South African blacks, Professor G.C. Oosthuizen of the University of Durban-Westville said at a congress on the Natal South Coast this week.

Professor Oosthuizen, an expert in science of religion, said nearly five percent of the black population, mainly in rural areas, spoke Afrikaans as a home language and this was decreasing, he said at an Afrikaanse Taal en Kultuur Vereniging congress.

"In the homelands, Afrikaans is making way for other languages, such as English," he said.

English was used as a spoken home language by three percent of the black population in the country.

One of the reasons for the waning popularity of Afrikaans among blacks

was that it had been "pushed down the throats" of some blacks. He cited the example of Soweto schoolchildren who had been forced to learn mathematics in Afrikaans. This had led to angry youth reaction in the Soweto riots of 1976.

Blacks also reacted against Afrikaans because it was the language of the police, civil servants and administrators.

"They also see it as the language of apartheid policy," he said.

In general, blacks identified more easily with English-speaking people. English was also an international language, while Afrikaans was not.

He said Afrikaans was not being used as much in cities in South Africa. It was being used less, particularly in primary schools.

"For example, in Johannesburg, 22 percent

of children with Afrikaans surnames are in English primary schools."

Only nine percent of children with English surnames had Afrikaans as their home languages.

In universities outside South Africa, such as in Lesotho and Swaziland, only junior Afrikaans posts could be filled. A chair at a university in Zimbabwe was still not filled.

"I don't think they will ever fill it."

In spite of this, Professor Oosthuizen said Afrikaans had much vitality as a language and it had adapted to modern situations.

As a language it still had a great future in South Africa if the right inter-group relationships could be established.

"But that all depends on those who speak it," he said.

CSO: 3400/1573

NEED TO INCREASE TECHNICAL TRAINING REPORTED

Johannesburg SUNDAY TIMES-BUSINESS TIMES in English 26 Jun 83 p 7

[Text]

SOUTH Africa's estimated requirements for technicians must be stepped up by more than 400%, and the current output of artisans will have to improve tenfold to 20 000 annually if a growth rate of 4,5% is to be achieved.

The National Manpower Commission's report indicated that 575 blacks received degrees in 1979. This figure increased to only 720 in 1982, according to the latest Human Resources Development quarterly bulletin.

Only 2 000 technicians are being trained annually against a required 9 500.

South Africa's severe skilled manpower shortage, in contrast to an over-supply of unskilled labour, has been blamed for the disastrous impact on management efficiency and continually declining productivity growth.

According to the National

Productivity Institute (NPI), training schemes at all levels of employment and an improvement in the level of employment groups are the only permanent solution to improving productivity.

The required creation of 1 000 job opportunities each working day up to the year 2000 can be achieved only if the skilled labour demand by industry is satisfied, according to the NPI.

Although firms may provide the training, they are unlikely to pay for it, as skills are transferable from one company to another, according to the bulletin.

In most cases, therefore, firms attempt to recover costs by paying lower wages, hence providing little encouragement to prospective technicians.

Black trainees would also be reluctant to forgo higher benefits during training,

especially if restricted mobility favours their white counterparts.

State intervention in the form of training tax concessions has decreased the investment return risk of the firm to about 8% of the cost of training given.

The cost to the State in terms of forgone tax can be estimated in the region of R150-million annually.

Based on a survey conducted of 22 companies in the Western Cape, it is estimated by Human Resources Development that total South African training expenditure should be in the region of R300-million.

But the NPI's contention of a 0,3% increase in productivity over the past decade suggests either a shortfall in effective utilisation of the money spent or that investment by the State has not been shown.

CSO: 3400/1573

CIVIL CONSTRUCTION INDUSTRY OUTLOOK GLOOMY, SAYS JAMIESON

Capetown THE CAPE TIMES in English 23 Jun 83 p 16

[Text] Johannesburg.--Expenditure on road construction has stagnated since 1977 and in real terms the amount allocated by public authorities for 1982/83 is half the sum spent six years ago.

The chairman of Group Five Engineering, Mr A R "Sandy" Jamieson, said in an interview yesterday that the effects of this slowdown in spending could be seen in the growing road congestion problem around the cities.

On the short-term prospects for the civil construction industry, Mr Jamieson said that given the fact from 50 percent to 70 percent of the sector's operations were dependent on public sector spending, the outlook for at least the next year was gloomy.

To a large degree infrastructural development was used by government as a tap to stimulate the economy when needed or to put a break on spending when this is required.

Mr Jamieson said it was unlikely public expenditure would be increased until efforts to curb inflation showed some results, and it was unlikely that any boost in spending would filter through to the civil sector before 1985.

Corporations such as Sasol and Iscor had no major expenditure planned for the near future, while Escom had already decided to shelve two of its new power stations.

Indications were that the gold-mining industry was starting to revive some of the capital projects postponed a year or more ago, but elsewhere in the private sector there was no sign of a revival in major capital expenditure.

The chemical industry, and particularly AECI and Sentrachem, which had been big capital spenders, were now holding back on expenditure.

About 60 percent of Group Five's turnover is derived from civil engineering operations, about 20 percent from mechanical and electrical engineering and

projects, 10 percent from building and another 10 percent from an assortment of industries, including electronics.

Mr Jamieson said planning of the country's infrastructure left a good deal to be desired, which was evidenced by the underuse of the highway between Pretoria and Krugersdorp, and the Pretoria-Kempton Park highway, while the Potchefstroom road and the Golden Highway were seriously over-loaded.

The current water shortage was further evidence of the inadequate planning that had gone into major infrastructural development.

On the effects of the acquisition by Darling & Hodgson of control of Group Five, which was the culmination of an almost successful market raid by the ill-fated Magnum Group, Mr Jamieson said Group Five still had management autonomy.

Although he could not dismiss the possibility of a closer link between the two groups at some point down the line, he said this was likely to be some way off.

Describing the construction industry as a highly individualistic business, Mr Jamieson said that forcing control on the management of a construction company could have the worst possible effect.

He pointed to the merger of Murray & Stewart and Roberts Construction, which was practically put into effect about ten years after the formal documents were signed.

As evidence of the autonomy, Group Five's management had five representatives on the board of directors, while the executive committee, which determines day-to-day policy, is composed entirely of Group Five management.

CSO: 3400/1573



MISTREATMENT OF KTC SQUATTERS SCORED

Capetown MUSLIM NEWS in English 20 May 83 p 2

[Editorial: "Get to the Roots of KTC"]

[Text] We have indeed entered strange times when pseudo-revolutionary bodies now see it as their duty to tell an illegitimate government (on behalf of the oppressed people) what its duties are. How does one tell a thief, a murderer, a mass killer what his duties are?

Let us remind our friends that an illegitimate government has no duties because it has no rights. It doesn't even have the right of existence and still less does it have the right to misgovern the oppressed.

The government of the oppressors has always and will always answer the pleas, requests, reminders and demands of the oppressed with brute force, violence and intensified repression.

The oppressors don't respect weaklings; they simply trample upon them.

What is the matter with this leadership that they want to send reminders to the oppressors? Does the history of the oppressed people not already serve as a reminder not only to the oppressor but also to the oppressed?

Did the armed forces of the state not resort to violence during the 1952 Defiance Campaign? And the Anti-Pass Campaign in 1960? And the Soweto of 1976? And again in 1980? And recently with the death of Saul Mkize? Do we need anymore reminders or are our brains and ears clogged? District Six, Unibell, Modderdam, Crossroads, KTC--how many more do the oppressed, people need to learn the ABC of KTC?

Whilst we are weak the oppressors will sit on our necks; they will demolish our homes; and they will kill our leaders. We have to strengthen ourselves and do so rapidly and efficiently.

Only one clear voice reminded the oppressed people that if a man asks for bread don't give him a stone, and if a man asks for shelter don't give him soup.

If the oppressed need shelter then we must shelter them in our homes. If we don't nobody else is going to shelter them. By giving the homeless shelter we'll be shifting the point of resistance into our homes. Are we prepared for this?

Our only other alternative is to join the homeless at the point of resistance where they are now. Are we prepared for this?

If we aren't prepared for either of these two steps then we are not yet prepared for anything except soup kitchens and prayers without actions.

CSO: 3400/1573

MAWU TAKES UP CAUSE OF WORKERS FIRED BY BARLOW

Johannesburg SOWETAN in English 15 Jul 83 p 2

[Text]

**THE METAL and Allied Workers Union (Mawu), an affiliate of the Federation of South African Trade Unions (Fosatu), is seeking legal advice over the dismissal of 500 members by Barlow Manufacturing.**

The workers were dismissed after refusing to meet a return-to-work deadline from management's plant at Kew, Johannesburg this week.

They went on strike after 13 of their colleagues were dismissed for having allegedly intimidated others during a wage dispute which started at the factory last month.

At the time, a union spokesman said that workers were not on strike but wanted an explanation for the dismissals.

- About 300 workers at Vaal Bottlers in Vanderbijlpark yesterday entered their third day of work stoppages in demand for higher pay.

**INCREASE**

Workers claim that they made representations to the management concerning their grievances, including a demand for a R2,50 per hour increase.

- About 150 employees of Liberty Life Insurance Company in Braamfontein yesterday stayed away from work after lunch when their management refused to meet the officials of their union.

The workers, who are members of the Insurance Assurance Workers Union, met at lunch and resolved that management should meet their union executive to hear their complaints about a recent wage increment.

Management refused to meet with the union because they believed in a non-racial union and did not want outsiders to speak on behalf of their workers.

## COAL MINING INDUSTRY HIT BY INTERNATIONAL RECESSION

Cape Town THE CAPE TIMES in English 29 Jun 83 p 15

[Text]

**JOHANNESBURG.** — South Africa's coal mining industry is being hit from all sides as the effects of the local and world recession are increasingly felt.

The export market is swamped with surplus coal tonnages to the extent where doubt is being cast on the sale of Richards Bay Phase 4 export quotas before 1991.

South Africa's continuing high inflation is undermining the short-term profitability of the coal exporters facing prices which have fallen to around \$30 a ton f.o.b. Richards Bay and are not likely to improve for the next two years.

#### Unpleasant

In the long-term, persistent rates of inflation above those experienced by South Africa's customers and coal export competitors threaten to price South African producers out of the market.

Add to this the effects on earnings of any strengthening of the rand against the United States dollar because of gold price improvements and the situation looks unpleasant to say the least.

The domestic coal market dropped to 17 900 000 tons in 1982 from 19 200 000 in 1981 and is expected to fall to 16m tons in 1983.

Combined with dropping local tonnages the coal producers have been hamstrung by below-inflation rate increases in the administered cost of coal.

#### Cutbacks

It went up 7,1 percent in April this year while the last price increase was granted 14 months previously in February 1982, making an annualized increase of 6,1 percent over the period.

Over the same period drastic production cutbacks by iron and steel producer, Iscor, have reduced the local market for coking coal which is heading for a situation where Iscor's own collieries may eventually supply its entire needs.

Metallurgical coal is a small-volume but important business to the coal producers. Trans-Natal's metallurgical coal sales in 1982 were five percent of total coal sales of 30 256 000 tons but 20 percent of total turnover generated of R540m.

The solid foundation for all the major coal companies is sales to Escom power stations.

However, since last year Escom has burnt less because of reduced demand for power caused by the recession. The effects of the drought may force further cuts at certain power stations unable

to generate at full capacity because of insufficient water for cooling.

#### Power stations

Lower demand for power is causing Escom to look again at planned start-up times for some of its new power stations and commissioning of the first generating set at Lekwe has been delayed for at least a year from its planned date of September 1989.

The major coal producers remain convinced of the long-term future of coal but some rough years lie ahead.

"Any pick up in demand for coal in the next few years will be matched by increases in coal production.

#### World demand

"Next year our forecasts show an increase in demand for coal on the world markets of 20m tons. However, next year another 20m tons of production will become available," says Mr Steve Ellis, the head of Gencor's coal division.

"For 1983 we estimate world demand for coal exports will be about 99m tons but export production capacity is estimated at 141m tons putting a 42m ton overhang on the market."

## DISCRIMINATION IN LABOR POLICY 'ALIVE AND WELL'

Capetown THE CAPE TIMES in English 23 Jun 83 p 12

[Article by Phillip Van Niekerk]

[Text]

RACIAL discrimination in labour policy is alive and well in the "liberal" Cape — perhaps more so than anywhere else in the country.

That much was made clear this week by Dr George Morrison, the Deputy Minister of Co-operation and Development, who again reiterated the government's stand that the Western Cape is to remain a coloured and white labour preference area.

Influx control, he said, was still being applied consistently in the area and the number of pass law prosecutions was "clear proof" of this.

Dr Morrison's statement is in fact clear proof that the government has chosen to ignore the feelings of just about every major interest group in Cape Town over the issue.

**Menial jobs**

The coloured labour preference policy entrenches racial job reservation by preventing employers from employing blacks unless there is no "suitable" coloured labour available. Many well-qualified black workers are

forced into menial jobs because there is virtually no skilled or more attractive work open to them.

This policy goes hand in hand with the rigid enforcement of influx control in the Peninsula as evident in the pass raids, the endless and ugly squatter crises such as at KTC and the acute housing shortage for blacks.

Cape Nationalist MPs, the firmest supporters of the policy, say it is there to protect coloured workers in their "natural habitat" from the competition of cheap black labour flowing in from the homelands.

Yet this view is based on a myth and a fallacy. The myth is that black workers are "foreigners" in the Western Cape.

As several researchers have pointed out, blacks have contributed their labour to the region since the arrival of slaves from Angola more than 300 years ago.

The fallacy is that coloured workers need such protection. In fact, they did not ask for it in the first place.

Writing in the Cape Times in February, Mr

David Curry, national chairman of the Labour Party, said: "Do our critics think we will rubber-stamp the continuous harassment of fellow blacks in the Western Province?"

"We are against any place being declared a preference area for employment for coloureds and whites only... We strongly object that this must be done in our name".

Trade unions with large coloured worker memberships such as the Food and Canning Workers' Union and the more conservative Textile Workers' Industrial Union have rejected the policy.

The Cape Chamber of Industries and the Cape Town Chamber of Commerce have made repeated and unsuccessful appeals to the government to grant blacks with permanent residence rights in Cape Town the same status as those in other cities.

Most telling of all, the director-general of the Department of Manpower, Dr Piet van der Merwe, told the President's Council economic affairs committee last year that the policy was a "discriminatory mea-

sure" which should be scrapped.

He said it was "difficult to justify a system which allows a person to live in an area but which effectively prevents him from looking for work". Quite clearly, the Department of Manpower, which cultivates an image of reform, is embarrassed at having to apply what is in effect a racist policy.

At the root of the policy is the belief that blacks, whether "legal" or "illegal", are temporary residents of the Western Cape.

It has been asked whether the construction of the new city of Khayelitsha, which will lead to the uprooting of the entire populations of Guguletu, Nyanga, Langa and Crossroads, will mean that the black residents of the Peninsula will be afforded some form of permanence.

**'Homeland'**

It has also been suggested that the consolidated Khayelitsha will function as a "semi-urban homeland", which will overcome the Western Cape's "problem" that it has no nearby

homeland. This will provide local employers with a nearby reservoir of cheap labour coming from a consolidated black residential area which will be far easier for the government to control.

That the coloured labour preference policy is to be retained at full strength alongside the development of Khayelitsha is not a hopeful sign.

And at least one important feature of the

whole Khayelitsha saga is consistent with the labour preference policy. Apart from the Cape Town Community Council, not one representative black organization has been consulted about the move.

Like the coloured labour preference policy, it could be a case of white bureaucrats making plans and imposing policy on an unwilling and unconsulted population.

CSO: 3400/1573

# BLACKS RECORD FEW GAINS SINCE SHARPEVILLE

Johannesburg THE STAR in English 21 Jun 83 p 10

[Article by Nimrod Mkele: "Price To Be Paid for Cooperation"]

[Text]

The seventh anniversary of June 16 has come and gone.

In commemoration of this day many black people stayed away from work and others attended prayer meetings and listened to orators exhorting them to even greater effort in the struggle against apartheid.

As usual, armed police in camouflage uniform were out in force "to maintain law and order," and quite a few people got a whiff of tear gas.

For June 16 unleashes fierce passions from South Africans of all shades. For blacks it is a day of rededication. For many whites it arouses a resolute determination to suppress that struggle for freedom.

One thing stands out: after June 16 1976, South Africa will never be the same again. For that day represented the watershed when the Nats came face to face with the failure of their carefully-nurtured and ruthlessly-implemented policy of apartheid.

And all because a bunch of high school students laid down the gauntlet and refused to be regimented into perpetual servitude.

The rest is history. But have there been any changes since?

The very first thing was that, while the bullets were flying, big business, whose concern is profits first and foremost, realised a rebellion of stones against bullets would not secure the future of those profits.

The Urban Foundation was born.

It introduced us to a new terminology: improving "the quality of life" and participation in "free enterprise."

It drew attention to the parlous state of housing for blacks and promoted home-ownership.

That has given us the 99-year lease and loans from financial institutions.

Recently, Dr George Morrison, Deputy Minister of Co-operation etc, told us that from now on Africans would have to build houses with the sweat of their brows, ignoring the fact that our sweat is used up to subsidise his opulence.

Free-enterprise was seen as doing away with the restrictions to economic participation and the encouragement of a black middle-class. But the restrictions of the Urban Areas and the Group Areas Acts continue to frustrate black entrepreneurial development.

Besides, there is a price to pay for co-opting a black middle-class into the free-enterprise system. And that is unrestricted political participation. That price white South Africa is not prepared to pay.

Education, where June 16 began, became another great talking point. It was agreed that the poor education blacks were getting severely hampered their participation in the free-enterprise system. With "equal opportunity employers" mushrooming up all over the place, how were

the blacks to cope with jobs for which they were unprepared?

A Pace commercial college here, a lone technikon there and a medical college in the bundu are no answer to our crying need for education.

Secondary education is proceeding at a tortoise pace. University education, instead of being extended, is being hampered even more by the imposition of quotas against blacks.

Politically, the Government continues to resolutely turn its face against the obvious solution. It will not allow Africans to participate in its new dispensation.

Homelands are no substitute for free and unfettered participation in a representative South African government.

The result is a growth in violence as a means of wresting political control from the whites. Some of those children who fled the country in 1976/77 are now back with a vengeance. Call them terrorists, or guerrillas, but they are the chickens that apartheid has spawned come home to roost.

The sporadic guerilla attacks, the Pretoria bomb blast and counteraction by the South African government in Maseru and Mozambique are but symptoms of a much greater underlying need to change the structure of South Africa.

CUBA REPORTEDLY INDOCTRINATING, TRAINING YOUNG BLACKS

Johannesburg THE STAR in English 29 Jun 83 p 10

[Text]

A West German woman reporter's visit to Cuba took her to an off-shore island, where she found more than 400 Namibian youngsters being trained to carry guns and the teachings of Marx back to their homeland.

Most of the 421 pupils of the "Hendrik Witbooi School" were girls. "The young men are a home and fighting," reporter Gitta Bauer was told. Girls as well as boys at the school were taught to put together and take apart modern automatic weapons beneath revolutionary posters and slogans.

Miss Bauer, reporting in the West German newspaper, Die Welt, said the school routine required the pupils aged between 14 and 20 to work during the morning in the surrounding citrus groves. School work was confined to the afternoons. The school is a modern building set among citrus groves on the "Island of Youth" off the south-west coast of Cuba.

On modern maps it was identified as the Isla De Pinos — until Fidel Castro changed it five years ago to the Isla de la Juventud. President Castro built 58 schools to train 30 000 young revolutionaries from all over the world. The "Hendrik Witbooi" school is one of them. And, according to Miss Bauer, one of the most modern and best-managed.

"Palm trees and tubs of flowers, open terraces, young men with gui-

tars, shouts from a nearby football pitch ... it looks like a peaceful Sunday in a boarding school anywhere in the world," wrote Miss Bauer. "But the children wear the red kerchief of the Young Pioneers. On the wall of the table-tennis room hangs a poster depicting an AK-47 rifle and the slogan: 'We are freedom fighters.'

"In front of the building is a flagpole, where, morning and evening, the pupils gather to salute the Cuban flag."

Miss Bauer was shown round the school by its deputy headmaster, an Ovambo from Namibia. Most of the pupils come from Ovamboland, although many went to Cuba from camps in Angola.

Their training lasts three years. They are then sent back to Angola to act as the marxist elite of the Swapo Forces.

Miss Bauer found a well-run, happy school. "The children one sees are well-fed, well-clothed. Their lodgings are modern and hygienic. They enjoy an education which would be denied them in Africa.

"Yet, the feeling remains that these children are indoctrinated and trained to hate and to carry out with discipline the orders with which they will be sent on their way."



EFFORT TO ELIMINATE ILLEGAL, FORGED LICENSES PLANNED

Johannesburg THE STAR in English 29 Jun 83 p 1

[Article by J. Manuel Correia]

[Text] All South African drivers' licences may be re-issued to eliminate illegal or forged licences now estimated to be as many as a million.

This was disclosed by Mr Louis de Waal, president of the Automobile Association, at the AA's annual meeting in Johannesburg today.

He also disclosed that the re-issue of licences would not involve re-testing drivers, and that a computerised central traffic register was expected to come into operation in 1984/85.

Traffic sources said today that the computerised central traffic register would consist of four parts — an accident register, a record of traffic violations, a vehicle register and a licence register.

The system would operate nationwide and the target date for the launching of the accident register and traffic violation register was January 1.

The source said proposals were before the Cabinet on a new format for drivers licences. One proposal envisaged a credit-card type of licence.

The number of forged or illegal licences in circulation was between 700 000 and a million, but this was a "guesstimate" the source said.

Mr de Waal said the high incidence of unlicensed drivers or those with illegal or forged licences in South Africa was a matter of grave concern.

"The AA has consistently and repeatedly asked for a drivers licence token to be carried on the person at all times in the belief that this will enable enforcement authorities to identify the unlicensed and illegal drivers.

"At the same time submissions have been made to the authorities for a computerised central traffic register to record information regarding drivers and vehicles. It is heartening to learn that such a register may be operational next year.

"The task of 5 500 traffic officers would certainly be easier if drivers were compelled to have licence tokens with them while driving."

Only once unlicensed drivers had been identified, as well as those carrying illegal or forged licences, would it be possible to launch successful programmes of driver education, training and examination, as well as the decriminalisation of certain offences, together with the introduction of a demerit points system.

"But a central register can function effectively only if the essential information required for follow-up action on a continual basis is provided."

Two essentials were ongoing and consistent traffic law enforcement and transmission to the register of details of convictions. For this information to be meaningful the elimination of the serious shortage of law enforcement staff, especially in the provinces, was necessary.

"To get off the ground and to make any lasting contribution to the country's serious road accident problem the central register of drivers will have to be supplied with reliable information.

"This cannot be done while the courts have to cope with shortages and rely on underqualified staff to administer justice," Mr de Waal said.

SOUTH AFRICA

BLACK SCHOOLS REJECT WHITE TEACHERS

Johannesburg SUNDAY TIMES in English 26 Jun 83 p 20

[Article by Charmain Naidoo]

[Text] White teachers are not wanted at black schools. This message came across loud and clear this week as black teachers told their white colleagues to keep off their turf.

They were, they were told, a "thorn in the flesh" of Soweto's teaching fraternity. [as published]

But Mr Job Schoeman, chief liaison officer of the Department of Education and Training (DET), says he doesn't know what all the fuss is about.

And at least one Soweto headmaster has put out the welcome mat for white teachers. But it would seem that he is in the minority.

Among the staunch "anti-white" group is Mr T Khambule, former headmaster of Orlando High School and now a lecturer in the mathematics department at the University of the Witwatersrand.

He said: "Black teachers object to the injection of white teachers since the 1976 Soweto riots.

"The Department of Education and Training is under the illusion that whites make better teachers than blacks."

He called it "a form of nepotism--creating jobs for their white brothers when there were sufficient black teachers to fill the posts".

White teachers were paid more than their black colleagues even if they had the same qualifications, Mr Khambule said.

'Political'

"What is so unfair is that white teachers get a territorial allowance for the inconvenience they have to suffer teaching in black schools."

The secretary of the Soweto Teachers' Action Committee, Mr Nick Mogatusi, said the presence of whites at black schools was "a thorn in our flesh".

He said when whites were sent into black schools the DET "said they were coming in to help.

"But, they are there for political reasons.

"Seen in the South African context, blacks feel that white teachers are there to monitor and channel young black minds to accepting the status quo."

Mr Schoeman said: "White teachers are employed throughout the country and the selection is done purely on academic qualifications.

"We advertise and if a black person has the relevant qualifications, then he gets the job."

He added that although the number of white teachers was increasing from year to year, the ratio of white to black teachers was decreasing.

Specialised

He explained the department's ideal as wanting to train blacks so that they could fill all school posts.

"Whites in the employ of the DET are usually found in posts of a specialised nature--colleges of education, technical colleges and subjects like science, maths and language."

Mr Schoeman denied that white teachers enjoyed more privileges and said that no additional territorial allowance was given.

This allowance, he said, was only given to public servants employed in the national states.

Black and white salary scales were also the same with parity from category C upwards (matric plus three years).

The black headmaster of a Soweto high school said he was happy to have three white teachers at his school.

"There is a shortage of black manpower and we welcome white teachers who can provide us with their knowledge in specialised fields."

He added that there was no friction between black and white teachers.

CSO: 3400/1573

BENONI PARK SEGREGATION POLICY HIT

Johannesburg SOWETAN in English 30 Jun 83 p 6

[Editorial: "Shame Benoni!"]

[Text] The way some verkrampte town councils are going on, you would be sure they are paid to give South Africa a bad name.

The Benoni Town Council has joined the band wagon by placing a ban on blacks from entering a park in that city. The Benoni Town Council's ban on entry to Bunny Park is particularly obnoxious, not only because blacks and dogs are barred, but it is stated that we can only be allowed, accompanied by whites or tending white children.

A sign at the entrance of the park in Rynfield states: "This park belongs to the citizens of Benoni and is under their protection. No dogs or pedal or motor cycles are allowed in this park. Miniature boats and model planes are not permitted in this park.

"Non-whites are not allowed in this park except when accompanied by whites or while in charge of white children and any person who shoots, disturbs or removes any bird or animal, or damages any plant, shrub or tree will be prosecuted."

After complaints from the local black community council, the Benoni Town Clerk, Mr N. Botha is alleged to have indicated that there was no way in which blacks would be allowed into Bunny Park.

"The park is situated in a white residential area in Rynfield and it will cater for whites. The only blacks we are going to allow in are those in charge of white children and those accompanied by whites."

This is petty apartheid at its worst. We can only shudder when we speculate on the kind of bad publicity South Africa gets abroad from such racist notices. While South African blacks may understand the circumstances, and the attitudes that make this kind of thing seem "normal" here, people in other countries will be astounded by the seeming brazen insult to blacks.

Such racial slurs are just not in keeping with the times, and are also unnecessary. We do not believe that blacks are, or were about to descend

on Bunny Park in their hordes, even if our geographic knowledge of it is rather vague. Just as we would not expect scores of whites to descend on Mofolo Park in Soweto, we would hardly deem it courteous to put a notice barring whites and blacks there.

It is amazing the backward thinking among certain officials. The symbolism behind such a notice is most harmful, something that most South Africans should by now be aware of. If they deliberately ignore that, then we can only assume that they regard blacks as falling in the category of dogs and perhaps more kindly pedal and motor cycles.

The infuriating thing is it appears to be acceptable to have black "nannies" tending white children, and the unusual black accompanied by white friends in this park. If it is good for the gander then it must be alright for the goose. We believe the Benoni Town Council has joined the various other verkrampte cities in the country who will muddle away and give this country an awful image abroad, that is apart from inciting racial hostility.

CSO: 3400/1573

OIL SEES POTENTIAL IN CHILEAN FISHING

Johannesburg RAND DAILY MAIL in English 30 Jun 83 p 12

[Article by Alex Petersen]

[Text] CAPE TOWN . — Investment in the Chilean fishing industry had vast potential, and should show improved returns soon, the chairman of Ovestone Investments Limited, Mr Andrew Ovenstone, told the group's annual meeting.

He said: "We have a valuable licence in an area where the resource may be compared to Walvis Bay 20 years ago."

Mr Ovenstone said the group had received good treatment from the Chilean Government, and there had been no problems in returning earnings to South Africa.

The major investment was an effective 49% holding in Pesquera Playa Blanca, which was managed by an OIL subsidiary for a Chilean partner. Changes in the world prices of fishmeal and the devaluation of the peso had greatly improved the outlook for fishing.

Conceding that the Chilean economy was not in a good

position, Mr Ovenstone said the nature of the untapped fishing resource made the venture well worth while, and the risk was "not excessive".

Questioned on the provision of R2-million against an investment in another Chilean company, Pesquera Iquique, he said it was likely in the long term that the investment would be recoverable, but as a minority shareholder, OIL had less influence over dividend policies.

Mr Ovenstone said the South African fishing industry was "going through some uncertainty", and the authorities were exploring a different approach to the issue of quotas and the administration of other aspects.

"The industry is a very political sector of business. At the moment there is a great deal of lobbying. We support the new approach in the pelagic industry, but it could require considerable adjustment."

Although the group also supported "certain of the ideas" on changes in the rock-

lobster industry, it was held that the efforts of people who had pioneered the industry and built up markets should be taken into account.

On the property, construction and homebuilding front, Mr Ovenstone said that all sectors were performing satisfactorily, and property operations were going according to budget.

"We have reservations about current prices in the residential market, and we are not assuming that prices will continue at this high level."

Replying to a shareholder, Mr Issy Goldberg, who questioned the size of the group's interest bill, Mr Ovenstone said that the percentage of borrowings to shareholders' funds had been reduced from 89% to 80%, and this would be lowered again in the current year.

Mr Goldberg said the turnaround in the economy might not be as close as some commentators forecast. The economy could still somersault and interest rates could again become as high as 20%.

CSO: 3400/1573

BIGGEST SALE OF EARTHMOVING EQUIPMENT REPORTED

Johannesburg THE CITIZEN in English 28 Jun 83 p 29

[Text]

THE biggest sale of earthmoving equipment to a construction company in South African history took place in Johannesburg late last week despite the current slump in construction.

Major general construction contractors Basil Read (Pty) concluded a deal with Isando-based caterpillar dealers Barlow's Tractor and Machinery Company (B T and M) for 52 Caterpillar earthmoving machines with a total value of nearly R8-million.

The machines included 12 track-type tractors ranging in size from D8L to D5B, 12-wheel loaders, 18 excavators, 8 motor graders and 2 elevating scrapers.

Basil Read plant director Hector Salzwedel said the decision to purchase at this stage was to take advantage of the latest machine technology, to produce a better balance in company's fleet and to

be ready for the upturn in construction work.

In addition, this purchase was in line with the overall group's rationalisation and standardisation programme.

A number of factors had to be considered during this major fleet acquisition. They included anticipated machine lifetime, quality of product and quality of back-up services. He was confident that the Caterpillar products were good, would last and that Barlow's dealers throughout the country could provide the back-up services he required. The high resale value of Caterpillar machines was another important factor.

While B T and M were not the lowest tenderer, Basil Read based their decision on obtaining the most value for money and the lowest operating cost. The company had also been happy with Barlow's

CSO: 3400/1573

# SUCCESS OF HOMELANDS' JOBS SCHEME ANALYZED

Johannesburg THE STAR in English 30 Jun 83 p 11

[Article by Anthony Duigan]

[Text] Transkei is to look for hundreds of millions of rands more aid from South Africa each year in an effort to overcome its crippling high unemployment level.

This emerged in a policy speech to the Transkei Legislative Assembly yesterday by the Prime Minister, Chief George Matanzima.

Introducing the White Paper on development strategy for the next five years, Chief Matanzima said two-thirds of Transkei's male labour force, about 400 000, were migrants working in South Africa.

This number was unlikely to increase at anything like the annual increment of 27 000 entering the labour market.

"Therefore a concentrated effort is needed to create employment and income in Transkei to avoid large-scale unemployment," he added.

The system of budgetary support from South Africa which comprises R250 million in the current financial year would continue for years to come and Transkei was now working on a more realistic basis for negotiating this support.

"It is Transkei's view that RSA budget support should be based on the contribution which Transkei migrants are making to the RSA economy and internal revenue in South Africa," Chief Matanzima said.

"In the White Paper it is pointed out that the contribution of migrant labourers to the Gross Domestic Product in RSA may be valued at R3 000 million a year. Of this, some R600 million went into internal revenue in RSA."

The total economic development cost proposed by Transkei over the next five years is R1 650 million at 1983/84 prices, most of which will have to come from RSA.

Businessmen have seen a pot of gold waiting for them in the homelands and decentralised white areas. The generous incentives offered those who set up in these areas have resulted in an avalanche of applications from local and foreign entrepreneurs who want to be there when the handouts are made.

The 777 firms and businessmen who have applied to set up factories in either homelands or deconcentration points (industrial settlements in white areas on the peripheries of metropolitan zones) during the 1982/83 financial year are more than double the number of previous applications in any one year.

The total investment envisaged in this package was

about R2 000 million, the Minister of Co-operation and Development, Dr Piet Koornhof, said. It includes the estimated investment by businessmen, loans by the Government and the cost of putting up factories.

In other words, a cost of more than R30 000 a job compared with about R17 000 it cost the Corporation for Economic Development to create a job in the homelands during the last financial year.

All told 65 342 jobs will be created if all those who have applied to the Decentralisation Board are approved and finally go into production, board chairman Mr Dougie de Beer said.

However corporation sources doubt that even as

many as 50 000 people will get work. The feeling is that about 30 000 workers will finally be accommodated in the new factories which will take up to three years to go into production.

"Quoting figures of R2 000 million and 65 300 jobs is misleading," a Government source said. "But even so, if it ends up with half that number of jobs, it will still be good progress."

The new incentives offered businessmen to set up in decentralised areas had been responsible for the rush of applications, Mr de Beer said.

"It is difficult to say just how many of these firms will actually set up business." In 1981/82 355 applications with a



capacity for nearly 29 000 jobs were approved by his board. The applicants were still being processed so the final number of jobs available was not yet known.

Most of the 777 applications being processed are for white deconcentration areas. Less than a quarter — 185 factories — are for the homelands (independent homelands are not included in the R2000 million scheme), Mr de Beer said.

Many industrialists applying for the homelands have centred on Isithebe (kwaZulu) — 105, Phuthaditjhaba (QwaQwa) — 32 and Seshego (Lebowa) — 20.

A debate has begun in some homeland circles about the real efficacy of the Govern-

ment's incentive scheme. In Transkei 60 manufacturing concerns employing about 12 000 workers have been set up. At 1983 prices, the public sector investment in factory buildings, loans and incentives to those firms amounted to R300 million or R25 000 a job. Investment from the firms has accounted for only one third of the total investment.

"The annual cost of subsidising foreign firms operating in Transkei is about R15 000 or R1 000 a worker," a Transkei official said. "Half this cost is borne by Transkei and the other half by the RSA."

With the generous incentives being offered there was no shortage of potential investors

now but it was questionable whether the cash grants paid to those firms was really the answer to long-term development.

In many cases all the firm contributed to Transkei was the wages — often appallingly low — which could be taxed and no value was added to the economy.

"We have begun questioning whether we should not rather be spending more money on our own small business sector — there are 4 000 small backyard manufacturers giving jobs to 6 000 people and contributing six percent of the demand for consumer goods — rather than on incentives to firms with no real roots in Transkei," the official said.

CSO: 3400/1573

'SPOILT' CANNED FISH SENT BACK TO BOLIVIA

Port Elizabeth EVENING POST in English 29 Jun 83 p 3

[Text]

PRETORIA — A large proportion of 24 million cans of fish was sent back to South America after it was found the fish was "spoilt" — and some fish tins could be contaminated by harmful bacteria.

The discovery of the potentially "off" cans, contained in approximately 200 000 cartons, was made by the South African Bureau of Standards.

Inspection by the SABS also revealed that some of the fish cans were incorrectly labelled, according to a Press release in Pretoria yesterday.

The SABS is now considering a system whereby the names of all foreign fish-canning factories exporting to South Africa and complying with the country's stan-

dards will be listed.

Dr J P du Plessis, head of the foods standards and inspection division of the SABS explained: "The danger lay in the fact that the cans could be completely corroded, permitting the intrusion of harmful bacteria and thus rendering the contents unfit for human consumption."

The fish originated in Peru and was canned in Bolivian-manufactured cans.

The SABS said the cans, mostly from the 1981 season, presented problems in that the contents broke down the varnish on the inside and reacted with the metal of the can. This caused the importers to examine all 200 000 cartons at the request of the SABS to detect the

defective cans.

Last year harmful bacteria, which rendered the contents of canned American salmon unfit for human consumption, were encouraged when holes in the cans were caused by faulty seams, the SABS said.

In one instance botulism led to the poisoning and death of a consumer in Europe. The death sparked off the worldwide withdrawal of that line of tinned salmon.

Fish cans with a "blown" appearance were also found on the SA market.

The SABS said the defect could be ascribed to the lack of vacuum in the cans which, because of subsequent bulging of the lid, led consumers to believe that the contents had become "blown". — Sapa

CSO: 3400/1660

## DROUGHT HAS 'SEVERE IMPACT' ON FEDERALE VOLKSBELEGGING

Johannesburg THE CITIZEN in English 1 Jun 83 p 21

[Article by Daan de Kock]

[Text] **THE severe drought has had a severe impact on Federale Volksbelegging's results for the past financial year because of the company's close links with the agricultural sector, the chairman, Dr Kerneels Human, says in his annual report.**

He says that the real contribution of the primary sector to the GDP declined by 4 percent in 1982, mainly as a result of a 7,5 percent drop in the agriculture sector following increases of 3 percent in 1981 and 13 percent in 1980.

For the first time since 1976 the farming community's capital investment in buildings-equipment and machinery fell, and this by 6,6 percent against current prices and 21,4 percent against constant prices.

As the economy was still slowing down and the

fact that the influence of the drought had not worked through the economy, one could expect that certain sections of Federale would again be adversely affected in the current financial year.

Commenting on inflation, Dr Human asks: "Have we in the past perhaps not set our sights too high and tried to achieve too much while at the same time not pitching everything into the battle to overcome our greatest limitation, namely specialised manpower and management skills?"

He said the fact that the average nominal wage in South Africa was still increasing at an abnormal rate after two years of economic decline was a clear indication that there was something fundamentally wrong with our labour structure.

He goes on by saying: "For remuneration to constitute nearly 70 percent of the net national

product is disturbingly high, particularly when one takes into account the high level of unemployment in the underdeveloped areas of the economy of the country.

"The bargaining power of skilled and semi-skilled labour is clearly a function of their relative numerical strength. Industry leaders and Government agencies will have to act with ingenuity and resourcefulness to rectify the structural imbalance in labour skills".

He is also of the opinion that the two pillars of a free enterprise economy, thrift and a sense of responsibility, will have to be fostered in the future.

He says the challenge of the future will be to apply the free market mechanism in such a manner that a better ratio between consumption and expenditure is achieved.

He says that the latest developments in the

banking sector must be welcomed, because it lays more emphasis on saving.

Dr. Human says that the current economic recession has the effect that one tends to concentrate on short-term matters

"Should we waste too much of our energy on instant answers we may fail to give sufficient attention to the search for longterm solutions to more fundamental questions."

In the year ended March 1983 the group's income before taxation declined by 32,3 percent. Earnings, however, declined by 48 percent from 137,4c in 1982 to 70,7c in 1983.

The return on average assets declined from 16,7 percent in 1982 to 12,9 percent and the return on ordinary shareholders' interest from 21,6 percent in 1982 to 9,9 percent.

The dividend, however, was kept unchanged at 38c a share.

NEARLY 200,000 CATTLE EXPECTED TO DIE IN KWAZULU

Durban THE DAILY NEWS in English 24 Jun 83 p 11

[Text]

NEARLY 200 000 cattle would die in KwaZulu in the next few months because of the drought, KwaZulu's Director of Veterinary Services, Dr David Osbourn, predicted yesterday.

"Things are looking very bad. There is no grazing. I do not know what the cattle can live off. But the biggest problem is that there is no water."

Dr Osbourn said the animals lost condition because of the very long distances they had to walk, looking for grazing and water.

There were about 1,4-million cattle in KwaZulu.

In 1980 some 160 000 cattle died there because of the drought, Dr Osbourn said.

"This year I think we will lose many more."

He said this was because cattle had begun to die already, whereas in 1980 they began dying towards the end of winter — and the land conditions now were much worse than then.

"Travel up the North Coast Road and you will see cattle on the side grazing on the verges. The cattle here are just getting thinner and thinner."

Dr Osbourn said: "Both Umfolosi rivers are trickles and the other rivers are not flowing. It is hard enough keeping humans provided with water. They have tankers and boreholes, but the cattle are having a big problem."

People in some parts of KwaZulu have been battling against the drought for four years.

Emergency food relief programmes are running in some areas. Even if rain falls now people will not be able to reap crops before February next year. The Department of Co-operation and Development gave KwaZulu R4,9-million for drought relief this year.

Dr Osbourn said yesterday he did not have figures yet for the number of dead cattle, but reports of deaths had begun to reach the De-

partment of Agriculture and Forestry in Ulundi in the past few weeks from several areas, particularly from Mahlabatini.

Figures would be known in three months' time, as smears had to be taken from all cattle that died in KwaZulu and sent to the department for analysis.

The department had been buying hay, he said, but it was only a drop in the ocean.

"Whatever we do will help only isolated cases. It cannot help the majority."

The hay, at R2,50 a bale, was enough for three animals for a day.

"It will just maintain them."

Black farmers wanted to help their stock, Dr Osbourn said, and were willing to pay the Directorate of Forestry for grazing.

"But most farmers will just have to grin and bear it."

Farmers in the homeland had also not been dipping their stock lately because there had not been enough water.

FOOD RELIEF TO DROUGHT-STRICKEN REPORTED

Johannesburg SUNDAY TIMES in English 26 Jun 83 p 17

[Article by Blaise Hopkinson]

[Text] THE first relief trucks carrying food hit the road this week as two vital aid projects got under way to help drought-stricken people.

Both schemes, involving major food companies in South Africa, were a direct response to the Sunday Times Drought Alert, and both are distributing food through Operation Hunger and the Red Cross.

The national food chain, OK Bazaars, delivered a truckload of 5 000kg of tinned food to the Jane Furse Hospital in Lebowa on Wednesday.

The load was part of the company's R100 000 pledge of food for the hungry. In the next few weeks more trucks will be dispatched to the hardest hit drought areas.

The Jane Furse Hospital cares for as many as 90 tiny victims of kwashiorkor and other diseases caused by malnutrition at a time.

The tins will be distributed by local women's committees under the auspices of Operation Hunger.

Tiger Oats and National Milling Company have pledged a further R100 000 of drought aid, and the first truckload of maize meal was delivered to the hard-hit St Joseph's Mission in Venda, where hundreds of kwashiorkor sufferers are treated each year.

In a handing over ceremony at the Jane Furse Hospital, Lebowa's director of health, Dr Abner Makunyane, said he was extremely grateful for the OK donation which will "help our people who are on the verge of starvation because of the drought".

## Homework

He added: "We must also try and do for ourselves a bit of homework. It is not always summer. It is not always winter."

He said his countrymen must be prepared to meet the hardships of the drought.

He warned the worst was yet to come and thousands would suffer through the remaining winter months.

Dr Makunyane said he hoped this example would be followed by other major South African businesses.

"To me malnutrition is endemic in Lebowa and also in the whole of South Africa. OK Bazaars has started the ball rolling and I hope that other affluent companies will take note of this action."

The OK truck contained 9 000 tins of beans, peas, corned meat and jars of peanut butter — which will provide as many as 30 000 meals.

Under the Tiger Oats scheme 1 000 bags of maize meal were trucked this week to Subiaco Mission near Pietersburg by Pietersburg Milling.

At Subiaco, Catholic nuns run a "kwashiorkor ward" which cares for about 20 children. The death rate is sometimes as high as two a week.

To the south, organisers of the Tiger Oats scheme are investigating the Ciskei region to determine where the most serious areas of malnutrition and starvation lie.

## Worse

Other large companies are entering the drought relief arena and each week Operation Hunger, World Vision and the Red Cross are receiving more offers of help.

"We must ensure that the food goes to those who need it most.

"Things are going to get much worse in the near future.

"We must ensure that none of our people suffer from malnutrition or starvation again," the Red Cross president, Dr Piet Smit, said.

## LONG-TERM EFFECTS OF DROUGHT REPORTED

Johannesburg SUNDAY TIMES in English 26 Jun 83 p 17

[Article by Ruth Golembo and Eben Venter]

[Text]

THE drought has had such far-reaching effects on commerce and industry that the economy will only be able to recover in five or six "above normal rainfall years".

This is the opinion of the South African Agricultural Union's Chief Economist, Mr Johan Willemse.

He said his calculations show that a third of South African industry is linked to agriculture and 38 percent of the retail trade is dependent on it.

The net income from agriculture has dropped from R2 600-million in 1981 to R1 900-million in 1982.

An additional R1 000 to R1 200-million drop is expected this year.

"Farmers have a whole lot of debts to repay before they will get back their cash flow and have any money to spend.

"And, the consumers will suffer.

"In about two or three years there will be little meat on the market and fruit

and vegetables will be incredibly expensive," he said.

The economist for the Association of Chambers of Commerce of South Africa (Assocom), Mr Bill Lacey, said a survey done earlier this year showed how the drought had especially created hardship for the small businessman in rural areas.

"People are only buying essential foodstuffs and medicines.

## Debts

"Research in the mining areas had shown that workers have reduced their spending considerably."

Chemical companies manufacturing fertilisers, crop chemicals and the like are hard hit.

And so is the motor industry — especially manufacturers of farming implements and tractors.

Mr Willemse said: "Far-

mers have been advised to reduce their crop inputs considerably.

"So, where farmers were spending a lot of money on top dressings for their land and for weed killers before the drought, they are now cutting down on these items — killing the supplier's means of livelihood".

In the maize belt farmers have been forced to lay off more than 15 percent of their black labour force as one of a series of desperate measures to reduce input costs.

Mr Paul Jordaan, a prominent farmer in the Bothaville district, said that he will have to lay off almost 25 percent of his work force.

Farmers in the Western and Eastern Transvaal and the North Western Free State are plunged into debts totalling an alarming R1 000 million at the Summergrain Co-Op, as against a mere R85-million three years ago.

"It is a known fact that hundreds of farmers are facing bankruptcy this year,"

Mr Willemse added.

"The Government's drought aid scheme is insufficient and more than 12 000 farmers will not benefit from it," said Mr Tobie Lombaard, secretary of the National Maize Producers' Organisation (Nampo).

Nampo has urged farmers to produce maize for the South African market only.

## Sacked

Mr Lombaard estimates that more than 48 000 black farmworkers in the maize belt will be laid off, affecting half a million people.

Furthermore the jobs of thousands of workers in the seed, machinery and fertiliser industries will be jeopardised because of a drastically reduced product output necessitated by loss in demand.

"Vetsak (the manufacturer of farm implements and machinery in Bothaville) has already sacked a large number of their work force," said Mr Lombaard.

# MISSILE SITE NOT IN SA'S INTEREST, SAYS PROFESSOR

Johannesburg THE STAR in English 28 Jun 83 p 3

[Text]

CAPE TOWN — It is not in the national interest to have the proposed missile testing site on the southern Cape coast, however important this might seem to Armscor and the Defence Force, said Professor R C Bigalke, head of the Department of Forestry at Stellenbosch University and chairman of the Habitat Council.

He said the value of the area Armscor wanted was enormous because of its ecological role and its value as an open space for recreation.

The proposed development was against the national interest because it would endanger the Southern Right Whales, the Cape Vultures and the De Hoop vlei, apart from closing the area to people.

Speaking during a seminar organised by the Waenshuiskrans Action Committee, he said Armscor should find a different site.

Professor Bigalke said research by his department showed that one in four people who visited open recreational areas in the Western Cape at weekends visited the Bre-dasdorp area.

## LAY CLAIM

He said South Africa had passed the stage where an organisation, whether Armscor or a Government department, should be able to lay

claim to a particular area and get it irrespective of any objections.

The increase in population density in urban areas showed there would be an increasing need for open spaces and recreational areas, he said.

Commenting on the effects of the missile-testing site on the ecology, he said it seemed "pretty clear" there would be a high level of disturbance

which would affect plants and animals.

"I predict that any significant operating of helicopters in this area will see a dramatic effect on the water-fowl of the De Hoop vlei and that such larger mammals as the Cape Mountain Zebra and Bontebok will not take kindly to this sort of stress," he said.

He said large-scale movement of vehicles would harm the ecology.

# Minister 'Is Not Properly Informed'

CAPE TOWN — The Minister of Defence, General Magnus Malan, is "misinformed" about the effect on the environment of the proposed missile testing site on the southern Cape coast, says a member of the Waenshuiskrans Action Committee.

Mr Mike van Reenen said that, during a meeting held between his committee and General Malan, the general had said there would be a "minimum disturbance of the environment because the test rockets were fairly small and would only make a small hole when they fell into the ground".

General Malan had also said the missiles would be recovered because they contained sensitive instruments.

Mr van Reenen said his committee was worried that recovery of the rockets could further damage the environment because a rocket which fell from a height of several thou-

sand metres would have to be dug out from a depth of several metres in the ground.

He said General Malan had said sonar would probably be used to retrieve any missiles in the sea. Mr van Reenen noted that sonar was known to disturb the whale population.

## SUCCESS OF CSIR'S VAAL RIVER TESTS REPORTED

Kimberley DIAMOND FIELDS ADVERTISER in English 22 Jun 83 p 8

[Text]

TESTS conducted on the Vaal River near Warrenton have shown the effectiveness of a biological larvicide in controlling blackfly, a sporadic killer of young lambs, according to a spokesman for the Council for Scientific and Industrial Research (CSIR).

The larvicide, known as Teknar, has been tested by researchers at Onderstepoort, working in collaboration with scientists of the CSIR's National Institute for Water Research (NIWR) and the veterinary division of a South African industrial chemicals company.

The larvicide contains a bacterium which selectively causes the death of the blackfly, or *Simulium* midge larvae.

**LAMBS**

'According to questionnaires submitted by farmers, the midge not only kills lambs, but can cause losses of up to 60 percent in total production from stock,' said Dr Manfred Car of the Onderstepoort Veterinary Research Institute, who conducted tests on the effectiveness of the larvicide with Dr Ferdy de Moor of the NIWR.

The blackfly can cause a cut in milk production and reduce egg-laying, he said.

Scientists at Onderstepoort have worked on the blackfly problem since 1965. In 1967 an insecti-

cide was applied aerially on the Vaal River. It successfully controlled the midges but was abandoned because it had a bad effect on the ecology of the river.

From 1978 to 1980 Dr de Moor studied the effects of variations of water flow on the larvae and pupae. It was found that manipulating water flow limited population of midges, in places where they breed, at practically no cost. But where water flow manipulation is ineffective, it was impossible to stop breeding without using biocides, said Dr de Moor.

Recent tests by the research team showed a marked decrease in the *Simulium* larvae 14 hours after application of the larvicide in the Vaal River at the Margaretha Prinsloo bridge near Warrenton, according to the CSIR. At least 50 percent of the larvae up to 100 metres below the bridge had been killed in 16 hours.

A second test at a nearby farm, Witrand, showed a decrease of blackfly larvae on marked stones four hours after application, and almost no larvae were left after 17 hours, said Dr Car.

Dr Car said the larvicide was fully biodegradable and did not affect other aquatic fauna besides the midge larvae.



# KWAZULU HYDROELECTRIC SCHEME COULD HAVE BEATEN DROUGHT

Johannesburg THE STAR in English 29 Jun 83 p 5

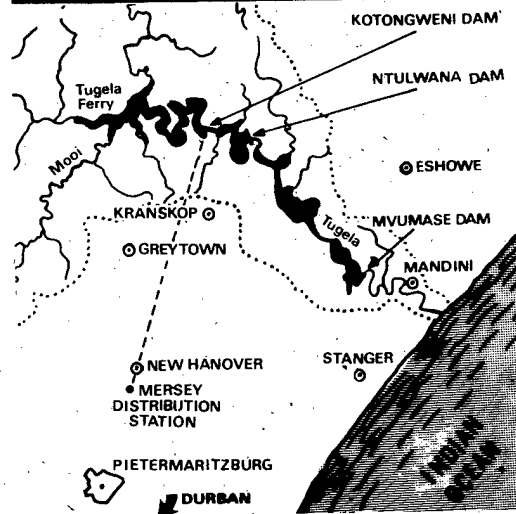
[Article by Stephen McQuillan and Lawrie Bedford]

[Text]

If a hydroelectric scheme scheduled for kwaZulu had been completed, drought-stricken areas of Natal would have had adequate supplies of water.

The dam could also have provided a third of South Africa's electricity. But because of political wrangling, the project was scrapped.

## THE DAMS PLAN



An elaborate multimillion-rand dam system in kwaZulu could have been answering by now the prayers of people in the drought-hit cities of Natal.

Experts say the scheme could have been

supplying an abundance of drinking water to Natal and providing up to a third of South Africa's electricity needs.

Independent hydrologists say the scheme was scrapped after political wrangling with kwaZulu

on questions of security and operation.

The plan involved two large dams and one small dam which would generate 3 700 Mw of conventional hydro power and 1 500 Mw of peak-time pumped-storage

power, said an influential report prepared in the mid-1970s for the University of Cape Town.

The dam furthest upstream would have been near Kotongweni Mountain and would have had

a surface area of 98 sq km.

It would have featured a conventional hydro power station of 1 600 Mw and a pumped-storage station of 1 500 Mw.

Thirty km downstream another dam would have been built near the village of Ntulwana, with dam water backing up to the higher dam.

This dam would have been the lower dam of the pumping scheme, creating 1 500 Mw continuously. A single generator of 500 Mw would have released water again downstream.

The dam furthest downstream would have been near the village of Mvumase and would have had a surface area

of 174 sq km and a power station of 1 600 Mw.

Hydrologists say the scheme would have required less imported equipment than a coal-fired power station and the cost would have been considered low.

The scheme would also have irrigated about 20 000 ha in the coastal belt, reduced flood danger and created a vast lake district leisureland on which could have been established a freshwater fishing industry, said the report.

But the scheme no longer exists in its original form. The latest scheme could be considered less ambitious and not as big as the original which would have been

one of the largest hydro schemes in the world — larger than the Snowy Mountain or the Tennessee Valley Authority schemes.

The cost of the latest scheme, R800 million, would be met by the Electricity Supply Commission (Escom).

Professor David Stephenson, director of the Water Systems Research Programme at the University of the Witwatersrand, said a Government White Paper on another Tugela scheme, prepared about a year ago, appeared not to have been acted upon.

He said this was possibly because of shortages of manpower in the Department of Environment

Affairs, of which the Directorate of Water Affairs is a part.

He said Escom had only recently appreciated the potential of hydroelectric development in South Africa. It was a mystery that a hydro scheme on the Tugela had not been built years ago.

The scheme now being considered would be part of the proposed Thukela (Tugela) River Government Water Scheme. The Mvumase dam would be the upper reservoir of a proposed pumped-storage scheme.

Officials of the Directorate of Water Affairs say the project may be started in two or three years' time.

## BRIEFS

**DROUGHT HITS KAROO LABORERS**--The drought has brought a trek by unemployed farm labourers in the Karoo to the biggest town in the area. This massive exodus by farm labourers to Beaufort West has been aggravated by rife unemployment and the onset of winter in the Nuweveld, Sneeuberg and Winterberg mountain ranges. Roads to and from Beaufort West are laden with donkey carts and caravans ferrying entire families with furniture, poultry and their worldly possessions. Labourers are streaming in from towns like Carnarvon, Murraysburg, Victoria West, Laingsburg and Prince Alfred Road. The town clerk, Mr J van der Merwe, said the presence of the labourers was not a problem at present. "But it can become one when it starts getting colder. Most of them only come into town to buy their provisions, while others come here visiting relatives and looking for work. But work is hard to find here, so they drift out again and stay on the outskirts of town in their donkey carts. They have a sort of 'community' out there," he said. About 30 or 40 families are camping near Nelspoort, about 60km outside Beaufort West. Schools and churches near the town coupled with town and divisional councils, farmers' unions and cooperatives have opened their doors for the "trekkers". This was confirmed by Mr I G Pieter, superintendent and secretary of the local management committee. He said: "The people of Beaufort West are trying their best to help these people by contributing food." The chairman of the Beaufort West Farmers' Union, Pieter Lund, said conditions could become critical for the unemployed labourers. He said a spot-check survey had shown that employment for these people existed in Merweville and the Leeu-Gamka areas to the east. "But we doubt whether these people will be keen to go there," he said, "as they are not traditionally from that area. They are really going through hard times, as most of them are having to survive by trapping hares and dassies." [Eugene Abrahams] [Text] [Johannesburg SUNDAY TIMES-BUSINESS TIMES in English 19 Jun 83 p 3]

**DROUGHT AREAS AIDED**--Employment provided by the mining industry was a lifeline to families in drought-stricken parts of South Africa and the neighbouring territories, Mr Malan said. Last year these areas had been aided by more than R300-million in the form of earnings sent home directly by mineworkers. This represented a 30 percent increase on the amount remitted in 1981. "This considerable increase was a reflection of last year's wage increases, the extension by the Lesotho Government of compulsory deferred pay to cover the full period of employment of its nationals on the

mines, and the response by the mineworkers to the needs of their families and relatives in the rural areas". Individual employees were now saving up to R4 000 during the period of their contracts, which now averaged about 13 months but extended to 24 months in some cases. The average cash wage of migrant workers on the gold mines in the last quarter of 1982 was R268 a month. Free benefit were worth a further R100. [as published] [Text] [Johannesburg THE CITIZEN in English 29 Jun 83 p 25]

WORKERS LAID OFF--A NORTHERN Cape mining complex is to be closed and 814 locally-based employees are in the process of being laid off by the asbestos division of the Griqualand Exploration and Finance Company (Gefco), a spokesman said yesterday. The Whitebank Mine and Mill complex, which is situated 30 silometres outside Kuruman, will be closed at the end of the week when the last of the ore stockpile has been milled. A total of 467 employees, almost the entire staff, are in the process of being laid off, according to a company spokesman. Of the workers, 440 are black, 21 white and six coloured. Mr R Hammond, manager of the Pomfret mine which is also owned by Gefco, said 347 workers had been laid off yesterday. However, a spokesman said that production at two other mines, Coretse in Bophuthatswana, and Klipfontein near Danielskuil, remains normal. The company issued a statement explaining that as there are no signs of an increase in demand for asbestos, it has become necessary to reduce the buildup of stocks. To do this, production has to be cut back, the report states. The spokesman said it was mostly workers in the lower job categories who were affected. 'The company has a policy of trying to keep trained staff,' he said. 'We are trying to get the unskilled workers at all mines many of whom are migrants from Lesotho and the Transkei, to retire their contracts at an early stage'. He said that many local members of the black community were also employed at the mines. [Text] [Kimberley DIAMOND FIELDS ADVERTISER in English 28 Jun 83 p 1]

MONEY MARKET SHORTAGE--THE money market shortage soared to close to the R1 billion-mark yesterday in spite of some R400m injection by the Treasury through the buy backs of prescribes and liquids. The shortage lifted to R980m with major banks paying well over 16 percent for large parcels. The average rate on the buy backs was 15,9 percent with the entire R400m allocation being taken up. The bottom rate was 15,5 percent with the peak at 16,5 percent. At one stage the shortage looked as if it could reach the R2 billion-mark and although the injection of cash has helped, rates are expected to remain very tight over the month-end. Month-end money will probably not fall below 15,5 percent. The following buying rates were indicated (percent): BAS: One month 15,25; two months 14,50; three months 14,35. NCDs: One month 15,70; two months 15,10; three months 15,00; six months 14,50; one year 14,25. Discount house call: 12,50. Treasury bill: 13,49. [Cape Town THE CAPE TIMES in English 29 Jun 83 p 14]

COMMERCIAL VEHICLE SALES--COMMERCIAL vehicle sales in South Africa totalled 10 317 for May, up 5,8 percent on April, and not so far behind the 10 997 for

May last year. The overall picture so far this year however remains relatively weak. So far total sales have reached only 49 920 against the 61 919 units for the January-May period last year--a lag of 19,4 percent. Mr Brand Pretorius, sales director for Toyota South Africa, said: "Although May sales were better, the commercial sector is still lagging. Among several reasons for this is the drought which has affected sales adversely especially in the rural areas. Even more significant is the indication that the real economic upturn --at least in the motor industry--looks like being postponed until the first quarter of 1984, although the second half of this year should be more buoyant. Toyota SA retained its top position in commercial sales with 2 818 units in May (27,3 percent market share) followed by Datsun-Nissan-Magnis with 2 570 (24,9 percent), Ford Motor Company with 1 422 (13,8 percent), General Motors South African with 951 (9,2 percent) and Sigma Motor Corporation with 910 (8,8 percent). [Text] [Cape Town THE CAPE TIMES in English 28 Jun 83 p 14]

HEAVY TRUCK WHEEL PRODUCED--THE first one-piece heavy duty truck road wheel to be produced in South Africa recently rolled off the production line at Guestro Wheels' Port Elizabeth factory. The one-piece wheel is suitable for use with a tubeless truck tyre and has a 100 percent local content. Previously, truck or bus operators could acquire only the expensive imported one-piece wheel which was generally available only with an imported tyre fitted. Now the popular sized 22,5 X 8,25 locally produced wheel is available to them at a lower cost and with or without a tyre fitted. The Guestro Wheels Division of Dorbyl Automotive products will ultimately produce the full range of one-piece wheels required by South Africa's transport operators. To accomplish this, the company invested R2,5 million in extensions to its already extensive manufacturing facility and installed the most sophisticated manufacturing machinery, including equipment for the flow-forming of the wheel centres and its own design of rim rolling machine for the manufacture of rims. The one-piece wheel comprises a single piece drop centre rim with a 15 degree taper bead seat to which a special valve is fitted. "Our one-piece wheel is in accordance with quality standards specified by Tredco and ETRTO," said Mr R J Mott, executive director of Guestro Wheels, "and its advantages" over conventional two or three-piece tubed truck wheels include safety, increased tyre life, reduced operating cost and reduced mass. [Text] [Cape Town THE CAPE TIMES in English 28 Jun 83 p 15]

ANGLO SLAMS INFLUX CONTROL--FORMAL restrictions on the mobility of black labour was counter-productive if South Africa was to compete effectively with international industry both at home and abroad. This was said by Mr G W H Relly, the chairman of the Anglo-American Corporation, in his annual report. Mr Relly's report showed low formal legislation like the Group Areas act and other informal restrictions had a harmful effect on the country's productivity. Citing the Transvaal where the shortage of skills is most acute, Mr Relly said the residential land set aside for Indians and coloureds was so inadequate that it was impossible for them to migrate to the industrial areas even when they could provide their own housing. "The Group Areas Act in effect becomes a form of influx control further restricting labour mobility." Mr Relly said when increasing the opportunity for personal industrial success this had to be accompanied by demonstrable social success within the totality of South African society, unencumbered by the restrictions of the Group Areas Act and the inhibiting psychology which flows from it. [Text] [Johannesburg SOWETAN in English 15 Jul 83 p 3]

TRANSKEI STATE OF EMERGENCY--UMTATA--The state of emergency which was first declared in the Transkei in 1980 under the Transkei Public Security Act, has been renewed, according to a notice published in the Government Gazette. The emergency regulations, renewed yearly since June 1980, impose drastic curbs on movements of affected persons, mainly students. The scholars are prohibited from leaving their towns without the permission of resident magistrates or police commanders, and are not allowed to leave their residences between 6 pm and 6 am the following morning except on Sundays. They may not hold public meetings or attend night functions anywhere without permission from the relevant authorities. [Text] [Johannesburg THE CITIZEN in English 18 Jul 83 p 4]

ANC COURT DRAMA--The Church and believers were being used by the African National Congress (ANC) to promote its struggle and along the way innocent people were being sacrificed, A Krugersdorp Regional Court heard yesterday. Professor I D de Vries, a lecturer at RandAfrikaans University (RAU) and an expert on revolution and various political organisations in South Africa, was testifying in the trial of an executive member of the Kagiso Residents' Organisation (KRO), Mr Isaac Mosotho Genu (30), who is charged with promoting the aims of the banned ANC. He is also charged with possession of clothes as well as banned literature pertaining to the organisation. He has pleaded not guilty to all charges before Mr T J le Grange. Professor de Vries said that in its November 1980 publication of SECHABA, the ANC's president, Mr Oliver Tambo, said the organisation needed the role of the religious front in its fight for the violent overthrow of the South African Government. Of the slogan "Viva Mandela", found on two children's shirts during the police raid on March 4 this year, Professor de Vries said it was connected with the ANC. The organisation, he said, was trying to free Mandela and others arrested for political reasons. He said further that the movement was mobilising school children in the form of school boycotts and workers through trade unions as well as the religious people. The hearing will continue on August 8. [Text] [Johannesburg SOWETAN in English 6 Jul 83 p 2]

FORT HARE STUDENTS SENTENCED--Zwelitsha--Seventeen University of Fort Hare students and a field worker of the Border Council of Churches were sentenced to 200 days imprisonment, alternatively a R400 each fine, when they were found guilty on charges of public violence in the regional court here this week. The accused were charged with public violence following the stoning of the Ciskei President's motorcade at the University's graduation ceremony on May 1 last year. They all pleaded not guilty to the charge. [Text] [Johannesburg SOWETAN in English 6 Jul 83 p 3]

SASOLBURG AECI EXPLOSION--More than 350 workers at African Explosives and Chemical Industries in Sasolburg are on strike following the gruesome deaths of two colleagues who died as a result of an explosion at the plant. Workers at the plant have refused to work claiming that they would be risking their lives if they did so. The bereaved families of Mr Clement Sibusiso Ngwenya (29), of 6605 Sharpeville, and Mr William Springkaan (32) of Bophelong, Vanderbijlpark, had expressed their concern about the safety

of the workers prior to the incident. It is understood that this is the second accident to happen at the plant within a month, according to union sources. Mrs Nellie Ngwenya said that the family received a report last Friday that her son was badly injured and that he had been taken to the Sebokeng Hospital. "We went to the hospital where we found him badly scarred. Minutes after we had left the hospital we received another report that he had died. We need a proper explanation from the firm's officials about the circumstances leading to his death because it would appear the safety measures are poor," Mrs Ngwenya said. AECI's public relations manager, Mr Murray Joubert, said that there was a "blow out" at the company's carbide plant last week which killed two workers. Following the incident, workers have refused to work and shop stewards were yesterday negotiating with management. [Text] [Johannesburg SOWETAN in English 6 Jul 83 p 1]

ONE PARTY STATE--The state president of Transkei, Paramount Chief Kaiser Matanzima, has vowed Transkei will never be a one party state in his lifetime. Addressing a gathering of Cabinet ministers and Government officials at his palace after returning from six weeks sick leave, he said he did not imagine a life president in Transkei. He had been inundated with calls from various friends to assume the position of an executive president, but he refused because he wanted Transkei to retain its British-style system of Government. The people of Transkei, President Matanzima added, were composed of at least 13 different tribes and therefore stable peace could only be retained by the presence of a non-political "father of all" while the Prime Minister remained the political head of state.--Sapa. [Text] [Johannesburg SOWETAN in English 6 Jul 83 p 2]

FERTILIZER NEEDS--An end to the drought--or even a return to normal rainfall patterns--could cause more problems than relief for farmers in South Africa, says Dr R K J Winkler, chairman of Ommia Fertiliser. "If rainfall returns to normal, it is highly unlikely that we will be able to supply the amount of fertiliser that will be needed." He noted at the company's annual meeting that fertiliser sales for the first five months of this year were 50 percent down on the same period last year. "We are concerned about this...in our own interests and in those of the farmer," said. [as published] "Many farmers have not placed orders because of the cumbersome financial procedures following the Government's decision on aid for farmers. It may take three months to get the co-op's approval, and only then can the order be placed." Dr Winkler also emphasised the need to curb inflation. "After operating in very stable conditions for the past 30 years, agriculture was hard-hit by the spiralling inflation of the last three years. This has caused a lot of unrest and back-biting among farmers, Nampo (the National Maize Producer's Organisation), and the Government. Our inflation is pricing us right out of the market--we are unable to export maize without large subsidies." Dr Winkler said the company was satisfied with the success of its R65 million Sasolburg plant which came on stream this month with no extra capital expenditure. The factory produces nitric acid, ammonium nitrate, and incorporates a granulation plant. "For the next two to three years, about one third of the plant's capacity has been booked by other companies, but by the end of this decade we should be producing about 50 percent more fertiliser to keep our market share at its present level." Ommia is the third biggest producer of fertiliser in South Africa. [Text] [Johannesburg THE STAR in English 30 Jun 83 p 19M]

TRANSVAAL TRADE UNION FIRST--RECOGNITION agreements signed recently between a goods transportation company and an independent trade union, marked the first of such agreements in the Transvaal, a spokesman for the Transport and General Workers' Union said yesterday. "Transport and General Workers' Union, a Sosatu affiliate, have made a break through in the Transvaal by signing preliminary recognition agreements with Freight Services Forwarding and Freight Air," he said. The preliminary agreements facilitated "the election of shop stewards, meetings between shop stewards and management, access of union officials to workers on the company premises, and the on-going negotiation of a full-scale recognition and procedural agreement," he added. [Text] [Johannesburg THE CITIZEN in English 16 Jul 83 p 2]

POLICE NEED RESERVISTS--An urgent appeal to the public to enlist as police reservists has been made by Brigadier Len "Tshabalala" van Rensburg, officer commanding the reservists. Women as well as men are requested to join, as both prove invaluable in assisting the police with their duties. Reservists enlisting in the B group are used to protect families, homes and properties in their own residential areas, while those enlisting in the A group are employed to assist the police with their normal duties--including the investigation of crimes. Women reservists are welcome because they relieve the permanent members of staff in places like the charge office, enabling them to be used wherever required. Women can also render invaluable service during rape cases and other relevant crimes where the victims prefer to be dealt with by women. Searching female suspects and prisoners would also form part of their duties, in addition to all other aspects of normal police duties. A course for new reservists commences on August 3. Applicants wishing to enlist should contact their nearest police station commander. Over 80 reservists--both men and women--graduated at a special parade held in Houghton recently. The parade was attended by the Minister of Law and Order, Mr Louis le Grange. [Text] [Johannesburg THE CITIZEN in English 29 Jun 83 p 11]

RAIL-GRINDING MACHINES--A train of four rail-grinding machines arrived at the container terminal in Durban harbour this week from Trieste, Italy, bringing with it the hope of saving South African Transport Services hundreds of thousands of rands in preserved railway lines. The train is designed to reprofile the configurations that occur in the steel of the lines resulting from normal wear. Mr Roddy Janssens, Senior District Engineer, Mechanisation, for Transport Services, said that in many cases railway lines had to be replaced once every nine months. To rerail one kilometre of track cost between R100 000 and R120 000. Mr Janssens said these rail-grinding machines would prolong the existence of rail lines for up to five times their normal life. The train will be used on the main Durban-Johannesburg line, working as far as Volksrust. As the grinder will often be used on deserted stretches, the train has sleeping accommodation for six people, is entirely air-conditioned and has such amenities as a refrigerator, stove and even a washing machine. The train is owned by a Swiss company which has contracted it out to a South African company, which in turn has contracted it to Transport Services for six years at a cost of R7-million. A similar train will arrive in two years' time, making the



entire contract worth R14-million. [Text] [Durban THE DAILY NEWS in English 23 Jun 83 p 8]

TURFLOOP STUDENTS LEAVE--Sovenga.--University of the North students packed their bags and left for home yesterday after having spent less than a day on campus. An ultimatum issued by the rector, Prof P C Mokgokong, stated that examinations would proceed yesterday as scheduled and those students who had no intention of writing must leave campus by 3 pm. Those who failed to write would not be admitted to the second semester. About 90 percent of the student body returned to campus yesterday. The students resolved at a gathering to boycott the examinations, calling on the authorities to postpone the exams to August 1. [as published]--Sapa. [Text] [Johannesburg THE CITIZEN in English 2 Jul 83 p 2]

SA-DESIGNED IDLER ROLLER--The first major order for Transporta idler rollers, described as the biggest advance in conveyor-belt applications for many years, has been placed by the Greenside Colliery. Developed in South Africa by the conveyor division of B Thomas & Pilliner in conjunction with Aerofoam of Boksburg, the new idlers offer considerable benefits over the conventional steel rollers, and the potential for large export sales is considerable. Thirty of the rollers have been undergoing stringent testing at Greenside for more than four months in a corrosive working environment. During the trial period the CSIR carried out tests to enable the new rollers to obtain the Government Mining Engineer's approval. A common occurrence with steel rollers is that they jam during operation. When this happens the belt wears away the wall of the roller in a matter of hours to a razor-sharp edge which can cause extensive damage to the belt. The Transporta roller is made of a urethane elastomer formulation which has non-corrosive and high abrasion-resistance properties. This ensures that the belt is not harmed even if the idler jams or wears. On some mines a belt can cost more than R300 000 to replace and downtime estimated at an average of R11 000 an hour. Using the Transporta idlers, Greenside expects to save about 38% in the cost of replacing rollers. [Text] [Johannesburg SUNDAY TIMES-BUSINESS TIMES in English 19 Jun 83 p 34]

FOREIGN DEBTS, ASSETS--In a major re-presentation of figures, the SA Reserve Bank offers, as a supplement to its June Quarterly Bulletin, statistics on South Africa's foreign liabilities and assets from 1956 to 1981. Total foreign liabilities at end-1981 stood at R32 490-million compared with R2 746-million at end-1956. Total foreign assets stood at R13 460-million and R839-million at the same respective dates. Thus, over the period assets grew from 30,5% to 41,4% of liabilities. At the same time, between the two dates there were interesting changes in the geographical distribution of foreign assets. In 1956, of total foreign assets, 27,7% were held in the EEC, 10,1% in North and South America, and 30,6% in Africa. By end-1981 the percentage of assets held in the EEC and in Africa had fallen to 21,1% and 18,3% respectively, while North and South American assets had risen to 23% of the total. Perhaps more than anything, these figures emphasise the increasing isolation of South Africa from the rest of the continent. On the liabilities side, a generally similar picture emerges. In 1956 71,3% of liabilities obtained in the EEC, 14,3% in North and South

America, and 2,6% in Africa. By 1981 55,1% were owed to EEC countries, 23,1% to North and South America, and 2,4% to Africa. An interesting figure here is the increase in liabilities to countries in the rest of Europe outside the EEC. Between 1956 and 1981 these grew from 4,9% to 12,9% of the totals. The revision of the data has clearly been an effort of considerable size. Problems involved included changes in definitions of direct and non-direct investment. [Text] [Johannesburg SUNDAY TIMES-BUSINESS TIMES in English 26 Jun 83 p 4]

SUGAR FARMS DEVASTATED--Natal sugar farms have been "devastated" by the drought and some farmers will be lucky to harvest 10 percent of their crop. Mr Rex Hudson, assistant of the South African Sugar Association, said some areas of the Natal north coast are so parched that farmers would have to replant their crops next year as the drought had killed cane roots. "Rain now would only save some farmers from replanting. It could do nothing to help this year's crop." And, says the chairman of the South African Cane Growers' Association, Mr Lawrie Gordon-Hughes, the industry is facing the biggest drop in production ever. He said the current estimate of the sugar crop for the 1983/84 season was 1 560 000 tons compared to the crop of 2 125 000 tons last season. Speaking at the association's recent 56th annual meeting, Mr Gordon-Hughes said refined sugar would have to be imported to meet the local production shortfall. "The effect of the drought on many cane growers has been nothing less than catastrophic," he said. It was also reported this week that six Tongaat-Hulett's sugar mills were due to close down after only 11 weeks of milling and workers would have to be laid off. The managing-director of Tongaat-Hulett's and chairman of the South African Sugar Association, Mr Dick Ridgway, said it was not yet known how many workers would be laid off but they would be offered unemployment pay of 70 percent of normal wages for six months. [Text] [Johannesburg SUNDAY TIMES-BUSINESS TIMES in English 26 Jun 83 p 17]

BLACKS IN MINE UNIONS--The most important development in trade union affairs has been the further recruitment by unions of Black workers in the mining industry, say the directors of Anglo American Corporation in their 1983 review. They say it is to be welcomed that Black workers are well on their way to having a formal leadership, such as that enjoyed by their White counterparts, with whom employers can negotiate. The Corporation favours industrial council systems to provide effective structures which can involve all representative unions in a co-ordinated and orderly process of collective bargaining. It is committed to achieving non-racial naming, with all recruitment, selection, training, development and staffing on merit only. Subsidiary and administered companies conduct regular audits in order to measure progress in this area. It is, however, disappointing to find that although significant numbers of Blacks presented themselves for apprenticeship, only a few met the educational requirement. "This is possibly not surprising in view of the general quality of Black education," the review says. [Text] [Johannesburg THE CITIZEN in English 29 Jun 83 p 24]

INDIAN POLICE--Durban.--Administrator of Natal, Mr Stoffel Botha, said at an Indian police passing out parade in Durban yesterday that the SAP was facing increasing pressure in protecting the country's mineral wealth and

other strategic raw materials. He said that it was obvious that the pressures on the SAP would increase because they were the first line of defence in the country. The SAP would face an incredible task of maintaining law and order. Sixty-seven Indian men and 18 Indian women passed out at the parade. [Text] [Johannesburg THE CITIZEN in English 30 Jun 83 p 14]

TECHNICAL COLLEGES--The Minister of Manpower, Mr Fanie Botha, said yesterday exciting new avenues of further education had been opened to South Africans with basic technical qualifications. In an address at the prize-giving day of the Pretoria Technical College--a speech delivered by the Director-General of Manpower, Dr Piet van der Merwe--Mr Botha said a major breakthrough for technical colleges had been achieved. This was the approval of the so-called N-stream curricula--the old NTC 1 to 6 levels--for qualifying purposes to enable a student to follow the certificate of competency for engineers. "This important development offers a golden opportunity to the gifted student to qualify as a diploma engineer, which meets the requirements for employment in our mines or factories," he said. The various options offered in the new advanced N-courses with the possibility of full time classes and correspondence courses, together with the conferring of national awards, made them most attractive to advanced journeymen and artisans. These continued studies should make an important contribution to ensuring better trained manpower, particularly where higher levels of technical knowledge were necessary, as well as in the areas of supervision and production control. "There are clearly ample opportunities at institutions such as technical colleges for the young and not so young to improve their knowledge, their skills and their performance, to ensure a better future for themselves and their families," said Mr Botha. [Text] [Johannesburg THE CITIZEN in English 30 Jun 83 p 11]

SWEDISH PARTS FOR MONDI--Three hundred and fifty tons of components for the recovery boiler at Mondi Paper Company's new R600-million pulp and paper mill at Richards Bay have arrived at the port from Gothenburg, Sweden, aboard the ultra-modern Swedish freighter Elgaren, (seen above at the ro-ro terminal at Richards Bay). [photo not reproduced] The components comprised parts of the furnace walls and much of the superheater tubing. In addition there were six 12-metre containers filled with boiler components. The 1 500 tons-a-day pulp mill, which is being built on a 400 ha site, will be the largest pulp mill complex constructed at any one time in the world. It will produce some 470 000 tons of pulp a year, bleached, and bleached and high yield, that can be tailored to a wide variety of specifications. The high yield unbleached pulp will feed a paper machine to produce some 200 000 tons of liner board every year. Mondi, winner of last year's State award for Export Achievement, will be in an even stronger position when the new integrated pulp and paper mill comes on stream. "This will boost our foreign exchange earnings to the region of R200-million," says managing director Reg Donner. [Text] [Johannesburg THE CITIZEN in English 28 Jun 83 p 29]

LAST WHITE JOB RESERVATION--Blacks are still now allowed to hold blasting certificates, although the Government has "done away with" the last white job reservation on the mines. Black and Asian miners are still prevented

from obtaining blasting certificates on the mines, although not through any job determination. According to a section under the Mines and Works Act, only "scheduled persons" are allowed to undertake such work--and blacks and Asians are excluded from the definition of a "scheduled person" in the Act. Last Friday's Government Gazette announced that Determination 27 in the Labour Relations Act concerning work connected with sampling, surveying and ventilation on the mines had been cancelled. This job reservation for mineworkers had reserved these occupations for whites, and was abolished only as a result of recent negotiations between the Chamber of Mines and the Underground Officials' Association. The scrapping of the determination means that blacks can now do the jobs of UOA members, a chamber spokesman has confirmed. At the time of the implementation of the Wiehahn labour legislation there were five such determinations in the mining industry--though all were subsequently cancelled with the exception of Determination 27. Blacks who now become samplers, surveyors or ventilators in the mines will belong to the UOA and receive the same benefits. Job security for whites doing similar work was negotiated. [Text] [Johannesburg THE STAR in English 30 Jun 83 p 5]

ASB CONGRESS--The Afrikaanse Studentebond (ASB) congress in Pretoria next month will open with an address by the Transvaal National Party leader, Mr F W de Klerk, and close with a speech from Conservative Party leader Dr Andries Treurnicht. Sandwiched between them will be liberal and conservative academics and a coloured, a white and a black student "representing a wide spectrum of views", said the ASB president, Mr Andre Bartlett. All will speak on the issue of freedom. The theme for the congress was chosen, Mr Bartlett said, because "freedom is a very important aspect of our history--the whole problem in South Africa centres around it". About 300 students are expected to attend the congress, which runs from July 10 to 14. It will be chaired by Mr Bartlett, a University of Pretoria student reading for a doctorate in theology at the Ned Geref Kerk faculty. The vice principal of Tuks, Professor Piet Oosthuizen, will attend the congress and the university chancellor, the ex-Minister of Foreign affairs, Dr Hilgard Muller, will preside over its official opening and closing. Aspects of freedom to be discussed include the Calvinist origins of freedom, freedom and censorship, permissiveness, security legislation, freedom and ethnic diversity, and the Afrikaners' struggle for freedom. [Text] [Johannesburg THE STAR in English 29 Jun 83 p 5M]

AWB FUND--A Pretoria city councillor has started a fund to support the wives and children of the two Afrikaner Weerstandsbeweging members who were jailed for 15 years recently. Mr Piet Rudolph, a founder member of the AWB, said yesterday he had already collected R1 000 for the Fonds vir die versorging van Afrikanervroue in nood (Fund for the care of Afrikaner women in distress). The fund would be used only for the support of wives and children who suffered as a result of court decisions in political cases and not to "promote criminal activities in any form". The fund would also not be used to pay fines or legal costs, he said. Mr Rudolph, who resigned from the AWB when he joined the Herstigte Nasionale Party, said he started the fund because he saw "how the Afrikaner suffered in the war years" when he was a child. [Text] [Johannesburg THE STAR in English 28 Jun 83 p 3M]

MJC CALLS FIRST MEETING--For the first time since its establishment 38 years ago, the Muslim Judicial Council has convened a public meeting to report back on issues confronting the Muslim community. The meeting will be held on Saturday June 5 at 7.30pm at Masjidus-Salaam in St Athan's Road, Athlone. Special accommodation will be provided for the ladies and every member of the Muslim public is invited to participate. Further details will be announced over the next few weeks in all mosques in the Western Cape.  
[Text] [Capetown MUSLIM NEWS in English 20 May 83 p 1]

COCA-COLA STRIKERS--All 300 workers who went on strike at the Coca-Cola plant in Vereeniging on Thursday, forcing the plant to close, returned to work yesterday a company spokesman said. The workers, members of the Fosatu-affiliated Sweet, Food and Allied Workers' Union, stopped work after a breakdown in negotiations with management over wage increases. The spokesman declined to say whether the pay dispute had been settled. [Text] [Johannesburg THE CITIZEN in English 18 Jul 83 p 2]

CSO: 3400/1665

AGRICULTURE MINISTER ADVISES FARMERS TO SELL CATTLE 'BEFORE THEY DIE'

Mbabane THE TIMES OF SWAZILAND in English 24 Jun 83 p 3

[Article by Donny Nxumalo]

[Text]

THE MINISTER of Agriculture and Co-operatives, Mr A.K. Hlophe has advised farmers to sell their cattle before they die during the current drought period.

"Government is looking into the Swaziland Meat Corporation's pricing structure in the hope that livestock owners may get a better deal," Mr Hlophe said. "However, livestock owners should spare no effort in ensuring that their cattle are properly fed."

Mr Hlophe was speaking during the opening of two dipping tanks at Kaphunga in the Shiselweni district this week. The dipping tanks were constructed by the veterinary department on a piece of land donated by a leading farmer, Mr Webber to Chief Manana's followers.

Mr Hlophe said: "The veterinary department is committed to ensure that tick borne disease are put under control through tick control measures.

### Policy

"Additional dip tanks are being constructed throughout the country to try to cut down on long distances being walked by

cattle from home a dipping tank. Long distances walked by cattle do not only cause wasting to the condition of cattle but only bring the formation of soil erosion in many parts of the country."

The minister said it was his ministry's policy to encourage communities who are keen to improve tick control measures being enforced by the veterinary department, through the effort of bringing about better dipping materials.

He said his ministry was concerned with the whole issue of dipping and tick control. "As a result, a consultancy on livestock development is due to arrive in Swaziland next month to carry a study of the whole livestock industry.

"Plans are underway to establish a special fund for the purchase of dipping materials in bulk. Both the stock farmers and the government will continue to contribute towards this fund which will be administered centrally."

Mr Hlophe noted that in many parts of the country, a number of communities are purchasing their own improved materials through the advice of the veterinary staff, for use in dipping their own cattle.

## BRIEFS

FRG CANCELS DEBTS--West Germany has cancelled debts totalling DM60 million which Uganda owed to her up to 1982, and rescheduled the debts Uganda incurred after 1982 over a period of 10 years. An agreement to that effect was signed today between Uganda and Germany. Ambassador Extraordinary and Plenipotentiary Mr Ephraim Kamuntu signed on behalf of the Government of Uganda and the representative of the bank for reconstruction and financing agency for the FRG, (Dorothy Rogan), signed on behalf of her government. [Excerpt] [EA240511 Kampala Domestic Service in English 1900 GMT 22 Jul 83]

OPPOSITION MP'S ARRESTED--Two opposition members of parliament from Luwero District have been arrested in connection with banditry activities in their district. Police say Mr Kisamba Mugerwa, MP for Luwero South East, and Mr Joe Senteza, MP for Luwero South, were arrested yesterday. Radio Uganda understands the two men are helping the police with inquiries. [Text] [EA240511 Kampala Domestic Service in English 1400 GMT 23 Jul 83]

CSO: 3400/1678

ZAIRE

BRIEFS

CANADIAN ON COUNTRY'S DEBT--The Canadian Government is ready to sign an agreement with the Government of Zaire on rescheduling its debts with Canada. This was disclosed by Charles Lapointe, Canadian minister of state for external relations, who added that this agreement could take place before the meeting of the Paris Club, in Paris at the end of July. Mr Lapointe made this statement after holding talks with the first state commissioner on Zaire's economic situation. Mr Lapointe stressed that the economic situation calls for rescheduling Zaire's external debts with Canada. A draft of this agreement was submitted by the Canadian side. Mr Lapointe also said that he was happy to note that the first state commissioner was satisfied with the orientation of the Canadian cooperation program in the agricultural, forestry and industrial fields. The Canadian minister said Zaire is one of Canada's most serious and major partners in Africa. Yesterday, the Canadian minister, accompanied by Kinshasa Governor Citizen Kabyidi Wa Kabayidi, visited the professional training center at Kasavubu. He gave a check for \$25,000 to the governor for the director of the center. The money will be used for extension works at the center and for supplying the center with water as well as maintenance works for the smooth running of the center. Speaking to the center's authorities, Mr Lapointe said Canada and Zaire cooperate in several fields such as agriculture, forestry and education. [Excerpt] [AB201520 Kinshasa Domestic Service in French 1130 GMT 20 Jul 83]

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